



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 1/25/2022

**REQUESTER:** Tim Miles, Capital Projects Manager

**PRESENTER:** Shawn O'Leary, Public Works Director

**ITEM TITLE:** CONSIDERATION OF AWARDDING, ACCEPTANCE, APPROVAL, ADOPTION, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF BID 2122-35, CONTRACT K-2122-75 BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND SILVER STAR CONSTRUCTION COMPANY, INC., IN THE AMOUNT OF \$3,616,910.70, PERFORMANCE BOND B-2122-52, STATUTORY BOND B-2122-53, AND MAINTENANCE BOND MB-2122-41 FOR THE ALAMEDA STREET WIDENING CONSTRUCTION PROJECT FROM RIDGE LAKE BOULEVARD TO 48TH AVENUE S.E., RESOLUTION R-2122-66 GRANTING TAX EXEMPT STATUS, AND BUDGET TRANSFER AS OUTLINED IN THE STAFF REPORT.

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### BACKGROUND:

On August 28, 2012, the citizens of Norman voted in favor of a General Obligation Bond Issue to finance the local share of eight transportation/storm water improvement projects. One of the eight 2012 bond projects is the East Alameda Street Widening Project from Ridge Lake Boulevard to 48<sup>th</sup> Avenue S.E. (attached is a location map showing the project boundaries).

On December 11, 2012, the Norman City Council approved Programming Resolution R-1213-78 requesting federal funds for the East Alameda Street Project. This resolution states the City's commitment to adhere to the terms and conditions of a federally funded project including engineering design, acquisition of all necessary rights-of-way and relocation of utilities and encroachments at 100% the City's cost. In return, the Association of Central Oklahoma Governments (ACOG), through the Oklahoma Department of Transportation (ODOT), agrees to provide 80% of the construction cost, up to \$3,641,000, and administration of the construction with the matching share from the City of Norman.

Proposed improvements for the East Alameda Street Project include:

1. Widening East Alameda Street from 2 lanes to 5 lanes between Ridge Lake Boulevard and 36<sup>th</sup> Avenue S.E.
2. Add 10-foot shoulders to East Alameda Street between 36<sup>th</sup> Avenue S.E. and 48<sup>th</sup> Avenue S.E.

3. Intersection improvements at East Alameda Street/36<sup>th</sup> Avenue S.E. and East Alameda Street/48<sup>th</sup> Avenue S.E.
4. Continuous sidewalks on the south side of East Alameda Street to 36<sup>th</sup> Avenue S.E.
5. Storm water drainage improvements

On February 26, 2013, City Council approved engineering services Contract K-1213-160 with Cabbiness Engineering for the design of the Alameda Street Widening Project from Ridge Lake Boulevard to 48<sup>th</sup> Avenue S.E. in the amount of \$196,975.

On November 30, 2020, City Council approved Amendment One to Contract K-1213-160 with Cabbiness Engineering increasing the contract amount by \$22,500 for a revised contract amount of \$219,475, to provide additional design services on the Alameda Street Widening Project from Ridge Lake Boulevard to 48<sup>th</sup> Avenue S.E. Cabbiness Engineering was acquired by Garver, LLC in 2021 so Garver, LLC is now administering this contract.

## **DISCUSSION:**

Bid documents and specifications for the construction of the Alameda Street Widening Project from Ridge Lake Boulevard to 48<sup>th</sup> Avenue S.E. were advertised according to State Law. Four (4) potential contractors and sub-contractors acquired plans and specifications. Two (2) bids were received on Thursday, December 16, 2021.

The bid consisted of three parts including the Base Bid, Add Alternate No. 1 and Add Alternate No. 2. The Base Bid consisted of all bid items associated with the reconstruction of the urban portion of the Alameda Street Widening Project located from Ridge Lake Boulevard to east of 36<sup>th</sup> Avenue S.E. Add Alternate No. 1 consisted all bid items except for the asphalt pavement bid items of the rural portion of the Alameda Street Widening Project from east of 36<sup>th</sup> Avenue S.E. to east of 48<sup>th</sup> Avenue S.E. Add Alternate No. 2 consisted of the pavement bid items for the rural portion of the Alameda Street Widening Project from east of 36<sup>th</sup> Avenue S.E. to east of 48<sup>th</sup> Avenue S.E. The project bids were prepared this way because of limited budget availability.

The low bidder is Silver Star Construction, Inc., of Moore, Oklahoma, with a Base Bid of \$2,171,000, Add Alternate No. 1 Bid of \$1,445,910.70 and Add Alternate No. 2 Bid of \$1,192,289.30, for a total bid of \$4,809,200. This total bid is \$278,729 or 5.48% under the Engineer's Estimate with an estimated Base Bid of \$2,400,593; estimated Add Alternate No. 1 Bid of \$1,253,080.50; and estimated Add Alternate No. 2 Bid of \$1,434,255.50, for a total engineer's estimated bid of \$5,087,929. City staff has done a comparative analysis of these bids and believes the low bid is competitive and represents a fair bid. Silver Star Construction, Inc. has completed several similar construction projects in Norman and surrounding cities and has met the bidding requirements set forth in the bid documents.

City staff recommends accepting Silver Star's Base Bid of \$2,171,000 and Add Alternate No. 1 Bid of \$1,445,910.70 for a total of \$3,616,910.70. We also recommend rejecting the Add

Alternate No. 2 Bid of \$1,192,289.30. The City can save approximately \$342,000 if the Public Works/Streets Division completes the paving on the rural portion of this project. They routinely pave rural roads within city limits and have the capacity to complete this work.

This project is one of two remaining 2012 Bond Projects yet to be completed. Since the federal funding never materialized on this project through the Association of Central Oklahoma Governments (ACOG) or other federal programs, City staff is being resourceful to come up with the other 80% of the construction cost, including completing the rural paving with City forces.

Funding the construction portion of this project requires transferring \$2,452,000 from the 2016 Street Maintenance Bond Program Fund Balance and \$216,480 from the 2021 Street Maintenance Bond Program Fund Balance into the 2012 Alameda Street Widening Bond Project, Construction (Construction Account 50595552-46101; Project BP0190). All 2016 Street Bond Projects have now been completed, so \$2,452,000 of the excess funds are proposed to be used on the Alameda Street Project. The \$216,480 coming from the 2021 Street Fund Balance was specifically programmed for this project in the bond language. The remaining \$948,430.70 for this contract is already located in the 2012 Alameda Street Widening Bond Construction account (Account 50595552-46101; Project BP0190).

Per the contract documents, construction is anticipated to start on or near, March 1, 2022, with completion anticipated for the urban project in August, 2022, and the rural project in April, 2023.

**RECOMMENDATION No. 1:**

City staff recommends the transfer of \$2,452,000 from the 2016 Street Maintenance Bond Program Fund Balance (50-29000) and \$216,480 from the 2021 Street Maintenance Bond Program Fund Balance (50-29000) into the 2012 Alameda Street Widening Bond Project, Construction Account (50595552-46101; Project BP0190).

**RECOMMENDATION No. 2:**

City staff further recommends that the Base Bid and Add Alternate Bid No. 1 of Bid 2122-35 for the Alameda Street Widening Project from Ridge Lake Boulevard to 48<sup>th</sup> Avenue S.E. be awarded to the low bidder, Silver Star Construction, Inc. of Moore, Oklahoma in the amount of \$3,616,910.70.

**RECOMMENDATION No. 3:**

City Staff further recommends that Add Alternate Bid No. 2 of Bid 2122-35 for the surfacing portion of the rural Alameda Street Widening Project from east of 36<sup>th</sup> Avenue S.E. to east of 48<sup>th</sup> Avenue S.E. in the amount of \$1,192,289.30 be rejected.

**RECOMMENDATION No. 4:**

City Staff further recommends that, upon approval of Base Bid and Add Alternate No. 1 for Bid 2122-35, the following contracts and bonds be approved:

Contract K-2122-75  
Performance Bond B-2122-52  
Statutory Bond B-2122-53

Maintenance Bond MB-2122-41

**RECOMMENDTION No. 5:**

City Staff further recommends that, upon approval of Base Bid and Add Alternate No.1 for Bid 2122-35, Silver Star Construction, Inc. be authorized and appointed as Project Agent via Resolution R-2122-66 granting tax exempt status.