



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 11/12/2024

REQUESTER: Joseph Hill, Streets Program Manager

PRESENTER: Scott Sturtz, Interim Director of Public Works

ITEM TITLE: CONSIDERATION OF AWARDING, ACCEPTANCE, APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF CHANGE ORDER 2 TO CONTRACT K-2324-6: A CONTRACT BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND NASH CONSTRUCTION COMPANY, DECREASING THE CONTRACT AMOUNT BY \$95,140.26 FOR A REVISED AMOUNT OF \$1,366,788.74; FINAL ACCEPTANCE OF CONTRACT K-2324-6 AND FINAL PAYMENT OF \$68,217.77 FOR THE URBAN CONCRETE, FYE 2024 LOCATIONS, BID 1 PROJECT.

BACKGROUND:

On Tuesday, April 6, 2021, Norman residents voted to approve the issuance of \$27 million in bonds to fund the resurfacing, rehabilitation and reconstruction of neighborhood streets as part of a 5-year, 5-category program. The five categories include (1) Asphalt Pavement Street Rehabilitation, (2) Urban Concrete Street Rehabilitation, (3) Urban Road Reconstruction, (4) Rural Road Rehabilitation, and (5) Preventive Maintenance. The FYE 2024 urban concrete street rehabilitation locations were bid out in two separate bid packages.

The project includes select panel replacement in existing concrete streets. Curb replacement and ADA curb ramp improvements was completed as necessary. The project covers 4.4 miles of city streets. The project was publicly advertised on June 1, 2023 and June 8, 2023. Six contractors attended a pre-bid conference on June 12, 2023. Seven bids were submitted and opened on June 22, 2023. The low bid was submitted by Nash Construction Company of Oklahoma City in the amount of \$1,340,825. City Council approved contract K-2324-6 with Nash Construction Company on July 25, 2023.

When work began on 24th Ave NE between Robinson and Rock Creek, City Staff learned that it was 8-inch concrete rather than 6-inch concrete, which was anticipated given the age of the roadway. However, replacement with eight-inch concrete is appropriate for its current classification as a minor urban arterial. In addition, it was determined that future maintenance could be minimized, and ride quality improved, by replacing the asphalt portion of the Rock Creek intersection with concrete. On January 23, 2024, City Council approved Change Order 1 to Contract K-2324-6 increasing the contract value by \$121,104 for a revised contract amount of \$1,461,929 to accommodate the different in concrete thickness.

DISCUSSION:

Construction projects are awarded to the lowest responsible bidder. Contractor bids are determined using estimated plan quantities multiplied by the contractor's unit prices for all bid items of the contract. The total of all of these costs represents the contractor's bid. During construction, each quantity is verified in the field and the contractor is reimbursed based on the actual quantity of materials and/or labor used.

Of the twenty-seven (27) bid items, twenty-five (25) items had a quantity change. Nine (9) quantity changes resulted in increased cost, while sixteen (16) quantity changes resulted in decreased cost for an overall contract decrease of \$95,140.26 or 6.51%. The contract price decreased overall from \$1,461,929 to \$1,366,788.74 (please see the attached Change Order 2 for a complete list of unit price bid item cost increases and decreases).

Considering this overall decrease, the final payment amount owed to Nash Construction Company is \$68,217.77, which includes the full 5% retainage, and if approved, will be paid from the Woodslawn Addition Project, Construction (Account 50593393-46101; Project BP0576).

RECOMMENDATION 1:

Staff recommends the approval of Change Order 2 to Contract K-2324-6 with Nash Construction Company reducing the contract price by \$95,140.26 for a revised final contract amount of \$1,366,788.74 for the Urban Concrete FYE 2024 Locations, Bid 1 project.

RECOMMENDATION 2:

Staff further recommends final acceptance of the Urban Concrete FYE 2024 Locations, Bid 1 project, Contract K-2324-6, and final payment to Nash Construction Company be approved in the amount of \$68,217.77.