



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 11/12/2024

**REQUESTER:** Steve Guizzo, Engineering Assistant

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

**ITEM TITLE:** CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF CHANGE ORDER FOUR TO CONTRACT K-2324-2: BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND ARROYO'S CONCRETE L.L.C., DECREASING THE CONTRACT AMOUNT BY \$1,651.62 FOR A REVISED CONTRACT AMOUNT OF \$540,076.93 FOR THE SIDEWALK CONCRETE PROJECTS AND BUS STOP ADDITIONS AND IMPROVEMENTS PROJECT, FINAL ACCEPTANCE OF THE PROJECT, AND FINAL PAYMENT IN THE AMOUNT OF \$28,000.21.

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### **BACKGROUND:**

The fiscal year 2023-2024 (FYE 2024) Sidewalk Concrete Projects consisted of removal and replacement of sidewalks and handicap ramps as needed at various locations throughout the City of Norman and The Bus Stop Additions and Improvements Project consisted of the installation and/or modification of 54 bus stops.

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 now completed.

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 were 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 been significant cost increases in materials and labor for concrete work.

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, that would result in a unit price overrun addressed through a change order. Arroyo's Concrete, LLC agreed to construct or modify the 54 bus stops based on unit bid prices and anticipated quantities at a cost of \$196,357 (this cost exceeded the engineer's estimate of \$160,668 by \$35,689 or 22.2%) pursuant to Contract K-2324-2. Change order #2 to K-2324-3, for \$196,357, was a 58% increase, based entirely on unit-bid prices, to the FYE 2024 Sidewalk Concrete Projects contract and was approved on November 14, 2023. Change Order #3, in the amount of \$6,684.05, for the installation of 2 additional bus stops, was approved on July 9, 2024.

**DISCUSSION:**

The total contract amount for K-2324-2 increased from \$330,885.50 to \$541,728.55 with Change Orders #1, #2, and #3. Of the thirty-seven (37) originally-bid items, thirty-six (36) experienced have experienced a quantity change. Eight (8) quantity changes resulted in an increased cost, while twenty eight (28) bid items resulted in a decreased cost and one (1) bid item was provided as bid for an overall contract decrease of \$1,651.62 or .003%. Major overrun items included unclassified excavation, unclassified borrow, sidewalk concrete removals and sidewalk concrete placement. Major underrun items included solid slab sodding and curb and gutter removal and placement.

Funds are available and requested to be transferred from the following projects: \$14,877.57 Downtown Sidewalks/Curbs (Project TC0274; Account 50597716-46101); \$5,154.95 Sidewalk Program Schools and Art (Project TC0249; Account 50593317-46101); and \$7,967.69 Sidewalks and Trails – New (Project TC0262; Account 50591179-46101) for the final payment amount of \$28,000.21.

**FISCAL IMPACT:**

A summary table showing the change in the project cost is shown below:

Item	Budget	Amount Used	Remaining	Project ID
Original Contract	\$330,885.50	\$329,874.23	\$1,011.27	TC0274 TC0249 TC0262 TC0238 TC0273
Change Order 1	\$7,802.00	\$7,802.00	\$0.00	TC0274
Change Order 2	\$196,357.00	\$195,716.65	\$640.35	BG0085
Change Order 3	\$6,684.05	\$6,684.05	\$0.00	BG0085
Total	\$541,728.55	\$540,076.93	\$1,651.62	

Staff has found the work to be complete and acceptable with all punch list items addressed and is proposing the closing of this contract (K-2324-2) with Arroyo’s Concrete LLC.

**RECOMMENDATION 1**

Staff recommends that Change Order 4 decreasing contract K-2324-2 with Arroyo’s Concrete LLC by \$1,651.62 be approved.

**RECOMMENDATION 2:**

Staff further recommends final acceptance of the FYE 2024 Sidewalk Concrete Projects, Contract K-2324-2, and final payment to Arroyo's Concrete LLC in the amount of \$28,000.21.

Reviewed by:        Scott Sturtz, Acting Public Works Director  
                          Clint Mercer, Chief Accountant  
                          Anthony Francisco, Director of Finance  
                          Darrel Pyle, City Manager