



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 08/27/2024

**REQUESTER:** Joseph Hill, Streets Program Manager

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

**TITLE:** CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF CHANGE ORDER ONE TO CONTRACT K-2324-7 BY AND BETWEEN THE CITY OF NORMAN AND ARROYO'S CONCRETE LLC DECREASING THE CONTRACT AMOUNT BY \$290.23 FOR A REVISED AMOUNT OF \$1,336,809.77 AND THE FINAL ACCEPTANCE OF CONTRACT AND FINAL PAYMENT OF \$66,840.40 FOR THE URBAN CONCRETE, FYE 2024 LOCATIONS, BID 2 PROJECT.

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### **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 2023 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 sidewalk improvements will be completed as necessary. The project covers 2.6 miles of city streets.

The project was publically 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 Arroyo's Concrete LLC in the amount of \$1,337,100.00. City Council approved Contract K-2324-7 on July 25, 2023.

### **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 to be reimbursed based on the actual quantity of materials and/or labor used.

Of the twenty-five (25) bid items, twenty-one (21) items had a quantity change. Eight (8) quantity changes resulted in increased cost, while thirteen (13) quantity changes resulted in decreased cost for an overall contract decrease of \$290.23 or 0.04%. The contract decreased from \$1,337,000.00 to \$1,336,809.77. Please see the attached Change Order No. 1 for a complete list of bid item cost increases and decreases.

The final payment amount owed to Arroyo's Concrete, LLC is \$66,840.40, which includes the full 5% retainage. The final invoice is attached. Funds for final payment are available in Westfield Manor Addition (Project BP0569, account #50593393-46101).

The project was originally funded as follows:

<b>Project</b>	<b>Project Number and Construction Account</b>	<b>Amount</b>
Heatherington Heights Addition	BP0568 ACCT#50593393-46101	\$661,500
Westfield Manor Addition	BP0569 ACCT#50593393-46101	\$109,959.69
Universal Heights Addition	BP0570 ACCT#50593393-46101	\$383,670
Edgemer Addition	BP0571 ACCT#50593393-46101	\$181,680
<b>Total:</b>		<b>\$1,336,809.77</b>

**RECOMMENDATION 1:**

Staff recommends that Change Order No. 1, decreasing Contract K-2324-7 for the Urban Concrete, FYE 2024 Locations, Bid 2 project with Arroyo's Concrete, LLC by \$290.23 from \$1,337,100.00 to \$1,336,809.77 be approved.

**RECOMMENDATION 2:**

Staff further recommends final acceptance of the Urban Concrete, FYE 2024 Locations, Bid 2 project, Contract K-2324-7, and final payment to Arroyo's Concrete, LLC be approved in the amount of \$66,840.40 available in Westfield Manor Addition (Project BP0569, account #50593393-46101).