



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 10/11/2022

REQUESTER: Rachel Croft, Staff Engineer

PRESENTER: Rachel Croft, Staff Engineer

ITEM TITLE: CONSIDERATION OF AUTHORIZATION, APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF AMENDMENT NO. ONE TO CONTRACT K-2122-115: BY AND BETWEEN THE NORMAN UTILITIES AUTHORITY AND CROSSLAND CONSTRUCTION COMPANY, INC., INCREASING THE CONTRACT AMOUNT BY \$8,492,657.32 FOR A REVISED CONTRACT AMOUNT OF \$8,507,307.32 FOR CONSTRUCTION MANAGER AT RISK SERVICES FOR THE NEW LINE MAINTENANCE FACILITY, MATERIALS TO BE PURCHASED ON BEHALF OF THE CONTRACTOR, AND BUDGET TRANSFERS AND APPROPRIATIONS AS OUTLINED IN THE STAFF REPORT.

BACKGROUND:

A new Line Maintenance Facility will allow the Water and Sewer Line Maintenance Divisions to more efficiently accomplish their mission. The facility will be located northwest of the water treatment plant on the former Hall Park wastewater lagoon site, which was recently platted to accommodate the new Emergency Communication and Operations Center (ECOC). The existing facility is located on the North Base property adjacent to the Fleet offices and vehicle servicing areas. Vacation of the existing Line Maintenance space may help alleviate demands by Fleet and other City departments for additional space at the North Base property.

The Line Maintenance Division currently consists of 59 existing employees including 6 administrative staff, 25 water line maintenance employees, 18 sewer line maintenance, and 10 water meter employees. The project will consider expected growth of the division over the next 20 years. The existing main building (11,000 SF) contains administrative offices, an employee breakroom and training area, as well as inadequate restroom and laundry facilities. Separate buildings are provided for storage and repair of (1) wastewater pumps, piping and repair parts (2,000 SF), (2) fire hydrants, water meters, piping and repair parts (1,200 SF) and (3) emergency generation equipment (400 SF).

Request for Proposal (RFP) 1819-05 was issued for eleven water, wastewater, and sanitation projects on June 12, 2018, and 26 proposals were received July 10, 2018. Five Utilities Department staff members reviewed the proposals independently and then met on August 7, 2018, to discuss consultant qualifications and compare results of the individual consultant review rankings. Ultimately, ten consultants were selected on August 19, 2018, for the eleven projects;

Barrett L Williamson Architects were selected for the design of the Water and Sewer Line Maintenance Facility. Contract K-1920-109 was negotiated and approved by the Norman Utilities Authority (NUA) on January 28, 2020. The scope of the original contract included the schematic design to verify the needs of the division and verify the sizing and layout for the proposed facility.

The schematic design was completed and included the following proposed improvements:

- Main administration building with safe room (7,000 SF);
- Water maintenance building with three bays, meter area, and work area (7,900 SF);
- Sewer maintenance building with five bays necessary (to store vehicles during winter conditions) (9,000 SF);
- New access road from Robinson Street that will be coordinated with the future Emergency Operations Center;
- Paving improvements around the site; and
- Storage area at the rear of the property (3,400 SF covered).

Amendment No. 1 to Contract K-1920-109 was approved by the NUA on September 28, 2021, to proceed final design, bidding, construction and record document services and to account for the increased size for the facility.

On November 5, 2021, the City advertised Request for Qualifications 2122-29 for the ECOC, and, on November 17, 2021, the NMA received Construction Manager at Risk (CMaR) service proposals from four (4) construction management service companies. Two (2) firms were selected for interviews, which were conducted by City of Norman Police Department staff, other City staff, and engineering consultants on December 17, 2021. Based on their experience and qualifications, Crossland Construction Company, Inc. (Crossland) was selected as the firm having the best proposal for managing the construction work on the ECOC.

On January 18, 2022, the Norman Municipal Authority/City of Norman awarded Contract K-2122-88 with Crossland for the ECOC facility. On April 26, 2022, the Norman Utilities Authority/City of Norman awarded Contract K-2122-115 was awarded to Crossland Construction Company, Inc., in the amount of \$14,650 for preconstruction services for the Line Maintenance Facility. Crossland was selected for the Line Maintenance Facility due to their expertise and due to their work on the adjacent ECOC that will result in efficiencies between the projects.

For these projects, since the architectural and engineering design development is well established, the fee for pre-construction services is relatively small compared to the total cost of construction. The CMaR will use the current plans and specifications to secure all bids and create the GMP(s) to be awarded, by amendment to this contract. The amount awarded via this CMaR contract is those monthly expenses listed in the contract associated with doing the business of the CMaR for the anticipated duration of the project. If the project extends beyond this time, unless due to the extreme circumstances itemized in the contract, then those costs are borne by the CMaR, which encourages the projects to stay on time and within their budgets.

Project bids are submitted to the CMaR and/or to City Purchasing staff, sealed and opened by the CMaR or staff, consistent with the State and City's bidding policies. This method allows the CMaR to work for the Owner while gathering bids from their best pre-qualified vendors and

subcontractors, who have a history of working with the CMaR. This can, in some instances, deliver better bid pricing to a known project manager. Also, the CMaR process can maximize opportunities to get participation from local, smaller sub-contractors. It can result in quicker project delivery with a reduced number of change orders or contract amendments, due to the GMP agreed-on at the time of awarding the amended construction contract(s) to the CMaR.

The construction will be fully bonded when the construction bids are awarded for the GMP(s). At that stage, the CMaR contract includes all of the necessary professional liability, insurance, and affidavits that come with all professional services contracts. Crossland Construction Company Inc. has used this method on many of their projects in the past decade, including work for the City of Norman/Norman Municipal Authority, University of Oklahoma, City of Wichita, KS, City of Tulsa, and Tulsa River Parks Authority (“Gathering Place”).

The City of Norman is exempt from the payment of any sales or use taxes. Pursuant to Title 68 O.S., Section 1356 (10) and as allowed by Oklahoma Tax Commission Rules Part 27 Trust Authority 710:65-13-140, direct vendors to the NUA are also exempt from those taxes. A bidder and his subcontractors may exclude from their bid sales taxes on appropriate equipment, materials, and supplies that will not have to be paid while acting on behalf of the NUA. To minimize project costs, the NUA will make payment directly to vendors supplying equipment and materials for incorporation into the project to avoid the payment of sales tax on materials and equipment purchases related to the project.

DISCUSSION:

Bidding documents for the entire project were issued on August 10, 2022, and August 17, 2022, in accordance with competitive bidding requirements. Bids were submitted to the City of Norman Purchasing Department and publicly opened on September 7, 2022. Included with the bids were the base bid and ten alternates were as follows:

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| Alternate 1. | Additional maintenance bay for sewer building |
| Alternate 2. | Two additional maintenance bays for water building |
| Alternate 3. | Main entry architectural upgrade |
| Alternate 4. | Walkway canopies |
| Alternate 5. | Acid washed interior flooring |
| Alternate 6. | Employee parking lot pavement |
| Alternate 7. | Additional pavement around main buildings |
| Alternate 8. | Additional pavement within the storage area |
| Alternate 9. | Combined pavement and stormwater detention improvements with ECOC |
| Alternate 10. | Foundation over-excavation in lieu of aggregate piers |

Staff proposes a GMP that incorporates the base bid plus Alternates 1, 2, and 9. The additional bays provide sufficient space for the facility now and into the future and this will be the most economical time for this work. Alternate 9 will be jointly funded by NUA and the ECOC project so it was bid as an alternate for transparency but is a needed item for completion of the project since it is the main drive to the Line Maintenance and ECOC facilities, and stormwater detention is required for any construction.

The GMP for the project is \$8,492,657.32 and includes:

1. Base bid plus alternates - \$7,216,802.13
2. Construction contingency - \$216,504.06
3. General conditions – \$514,800.00
4. Project requirements – \$202,256.00
5. Insurance - \$54,126.02
6. CMaR Construction Phase Fee - \$288,169.11

Funding for this project will utilize funds from the Water Fund (31), Water Reclamation Fund (32), and \$115,000 for the joint work benefitting the ECOC. As such, the funding sources to be used to complete this project are detailed below:

1. Water Funding - \$4,260,350.
 - a. Line Maintenance Facility Construction Account – WA0329-CONST (31995521-46101) - \$3,485,350.
 - b. Water Fund Appropriation into account WA0329-CONST (31995521-46101) - \$775,000.
2. Water Reclamation Funding - \$4,264,025.
 - a. Line Maintenance Facility Construction Account – WW0329-CONST (32995521-46101) - \$3,334,025.
 - b. Transfer from Water Reclamation Facility Land Purchase Account – WW0170-LAND (32999911-46001) into WW0329-CONST (32995521-46101) – \$550,000.
 - c. Water Reclamation Fund Appropriation into account WW0329-CONST (32995521-46101) - \$380,000.
3. ECOC Funding - \$115,000 available in the Emergency Communication Center Project (BP0029, Account No. 15695523-46101).

The project is estimated to be completed in approximately 12 months.

RECOMMENDATION:

Staff recommends the NUA approve Amendment No. 1 to Contract K-2122-115 with Crossland Construction Company, Inc., in the amount of \$8,492,657.32 for a revised contract amount of \$8,507,307.32 for Project WA0329/WW0329 – New Line Maintenance Facility, authorize the NUA to purchase equipment and supplies on behalf of the contractor for incorporations into the project; and authorize budget transfers and appropriations as follows.

Appropriations:

From:

Water Fund Balance (31-29000)	\$775,000
Water Reclamation Fund Balance (32-29000)	380,000

To:

Line Maintenance Facility (WA0329-CONST, 31995521-46101)	\$775,000
Line Maintenance Facility (WW0329-CONST, 32995521-46101)	\$380,000

Transfers:

From:

Water Reclamation Facility Land Purchase (WW0170-LAND, 32995521-46101)	\$550,000
To:	
Line Maintenance Facility (WW0329-CONST, 32995521-46101)	\$550,000