



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 6/27/2023

**REQUESTER:** Taylor Johnson, Transit and Parking Program Manager

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

**ITEM TITLE:** CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF AMENDMENT 1 TO CONTRACT K-2122-131: AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF NORMAN AND THE CENTRAL OKLAHOMA TRANSPORTATION AND PARKING AUTHORITY FOR PROVISION OF TRANSPORTATION SERVICES TO INCREASE THE NOT-TO-EXCEED AMOUNT BY \$422,524.48, AND BUDGET APPROPRIATION AS OUTLINED IN THE STAFF REPORT.

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### **BACKGROUND:**

The City of Norman took over the operations of the City public transportation system on July 1, 2019, from the University of Oklahoma. While the City partnered with EMBARK to provide the operations, the City provides oversight, grant administration, and vehicle maintenance. The City and EMBARK have continued this relationship and since 2019 through an annual Interlocal Agreement brought to both the City Council and EMBARK Board each year.

On June 28, 2022 Council approved the fiscal year 2022-2023 (FY23) Interlocal Agreement (K-2122-131) with the Central Oklahoma Transportation and Parking Authority (COTPA), dba EMBARK, for the provision of transportation services from July 1, 2022 through June 30, 2023.

### **DISCUSSION:**

The not-to-exceed amount of the FY23 Interlocal Agreement (K-2122-131) was approved at \$3,564,864.98. After going through the course of the year, EMBARK staff have estimated that the current not-to-exceed amount will not be sufficient to cover all expenses through June 30, 2023. Expenses for EMBARK operations have increased due to union labor negotiations resulting in higher personnel costs than estimated. EMBARK provided an estimate of \$380,652.50 (and an 11% administrative fee of \$41,871.98) to balance out services provided for FY23. The total additional amount to EMBARK of \$422,524.48 is proposed to be transferred from General Fund Balance to the Transit and Parking Fund.

If approved, this would bring the FY 2023 Interlocal Agreement for Service Agreement for Provision of Transportation Services with EMBARK (Contract K-2122-131) amount for Transit services to a total not to exceed of \$3,987,389.46, an increase of 11.85%.

**RECOMMENDATION:**

Staff recommends approval for Amendment 1 to the Interlocal Agreement for Service Agreement for Provision of Transportation Services with EMBARK (Contract K-2122-131) to pay for additional expenses associated with providing services to the City of Norman for a total amount not to exceed \$3,987,389.46.

Staff further recommends an appropriation of \$422,524.48 of General Fund Balance (account number 10-29000) to the Transit and Parking Fund, Miscellaneous Services – Transit Operation Contract (account number 27550277-44766).