



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 12/12/2023

REQUESTER: Tim Miles, Capital Projects Manager

PRESENTER: Shawn O'Leary, Public Works Director

ITEM TITLE: CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF CONTRACT K-2324-106: A CONTRACT BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND COX COMMUNICATIONS, INC., IN THE AMOUNT OF \$220,000 FOR RELOCATING OVERHEAD COMMUNICATION LINES UNDERGROUND ON THE JENKINS AVENUE WIDENING 2019 BOND PROJECT AND APPROPRIATION OF FUNDS AS OUTLINED IN THE STAFF REPORT.

BACKGROUND:

On April 2, 2019, the citizens of Norman voted in favor of a \$72 million transportation bond issue, which includes nineteen (19) projects. With the anticipated \$67 million in federal dollars being leveraged for these projects, approximately \$139 million is budgeted for the nineteen (19) projects (please see the attached project list and map showing the approved projects).

On August 19, 2019, City staff advertised Request for Proposal RFP 1920-16 to solicit Consulting Engineering Services for the fourteen (14) bond projects still requiring design. The selection committee consisting of three (3) City staff and two (2) citizens "shortlisted" nine (9) consultant teams for interviews held on October 2, 2019. The five (5) consultant teams selected after interviews to complete the design on these projects are:

- Garver, Norman
- Cowan Group, Oklahoma City
- Freese and Nichols, Oklahoma City
- MacArthur Associated Consultants, Oklahoma City
- Olsson Associates, Oklahoma City

These consultants are being assigned the various projects by City staff based on capacity, performance on their current projects and capabilities of their firm to complete a specific project.

On November 26, 2019, City Council awarded design contract K-1920-91, for the Jenkins Avenue Widening Project to Freese and Nichols of Oklahoma City in the amount of \$827,005.

On September 8, 2020, the Norman City Council approved Programming Resolution R-2021-46 requesting federal funds for the Jenkins Avenue Widening Project. This Resolution states the City's commitment to adhere to the terms and conditions of a federally funded project including engineering design, acquisition of all necessary rights-of-way and relocation of utilities and encroachments at 100% the City's cost. In return, the Association of Central Oklahoma Governments (ACOG), through the Oklahoma Department of Transportation (ODOT), agrees to provide 80% of the construction cost, up to a project maximum of \$7,500,000 in federal funds, and administration of the construction with the matching share from the City of Norman.

On June 14, 2022, City Council approved on-call consultant contract K-1314-103 with Pinnacle Consulting Group, Inc. of Oklahoma City for Right-of-Way acquisition services on the Jenkins Avenue Widening Project in the amount of \$74,500.

On January 24, 2023, City Council approved an ODOT Project Agreement for the Jenkins Avenue Widening Project.

On May 23, 2023, City Council accepted four (4) easements from two (2) property owners for the Jenkins Avenue Widening Project.

On June 13, 2023, City Council approved two utility easements paralleling Jenkins Avenue through Reaves Park including a general utility easement for multiple utilities and a corrected dedicated Oklahoma Natural Gas (ONG) private easement that replaces a similar sized vacated ONG private easement.

On June 13, 2023, City Council approved Resolution R-2223-143 declaring Jenkins Avenue 2019 Bond Project a Recoupment Project

On July 25, 2023, City Council approved Contract K-2324-44 with OG&E to relocate utilities underground in the amount of \$407,582.22.

On September 12, 2023, City Council accepted eight (8) easements from three (3) property owners for the Jenkins Avenue Widening Project.

On September 26, 2023, City Council accepted two (2) easements from one (1) property owner for the Jenkins Avenue Widening Project.

The City's current construction cost estimate for the project is \$9,755,000 plus 12% Construction Engineering (\$1,170,600) for a total of \$10,925,600. Based on this amount, City 2019 Bond Funds will pay \$3,425,600 or 31% and federal funds will pay \$7,500,000 or 69% of construction and construction management costs. With land acquisition taking longer than anticipated, City staff anticipates a fall 2024 bid opening with construction starting in early 2025.

DISCUSSION:

One of the City's key obligations of this project is to relocate all existing utilities in the Jenkins Avenue corridor that are in conflict with the street or/and with storm drainage improvements. City staff is currently coordinating the relocation of City owned, franchise, and University of Oklahoma owned utilities on this project. Most of the utilities within the project limits are underground or at the back of the properties, except for along the east side of Jenkins Avenue between Timberdell Road and Constitution Street, and along the north side of Constitution Street between Jenkins Avenue and Monitor Avenue. Multiple City Councilmembers have requested that the overhead utilities be relocated underground when they are relocated for the project to make the area more aesthetically pleasing.

City Council approved a funding agreement with Oklahoma Gas & Electric (OG&E) on July 25, 2023, to relocate their overhead power lines within the immediate project limits in the amount of \$810,640. OG&E agreed to pay the overhead to overhead relocation cost of \$403,057.78, with the City paying the additional underground cost of \$407,582.22 or 50.3% of the total.

The proposed item for City Council consideration, is a funding agreement with Cox Communication, Inc. to relocate their lines underhung on the same OG&E poles, to underground. Cox Communication, Inc. (Cox)'s cost is more expensive to relocate the communication lines underground than overhead. When their utility lines are located within City right-of-way, Cox relocates their overhead lines to a new location at no cost to the City. Since the City is specifically requesting Cox to install their system underground, the City is required to pay the cost difference between overhead and underground, which is estimated to be \$220,000 for this project. At this time, it does not appear that AT&T will be requesting reimbursement to relocate their communication lines underground that are currently underhung on the OG&E poles. As a result, the final relocation cost for this underground utility project including OG&E, Cox, and AT&T is \$627,582.22.

Cox is requesting the City approve the attached project agreement. City staff has reviewed and recommends approval of the project agreement and resolution.

In summary, the Cox's responsibilities in this agreement are:

- Provide labor and material to relocate its existing facilities
- Provide required insurance for the project
- Installed facilities will remain the property of Cox
- Cox will pay the equivalent cost of overhead to overhead relocation cost estimated to be \$30,000

In summary, City's responsibilities are:

- The City shall grant Cox permission to use its rights-of-way and easements to install, operate, maintain and remove its communication facilities
- The City will pay the total actual cost difference between overhead to underground (\$250,000) and overhead to overhead (\$30,000) estimated to cost \$220,000.

Funds were not originally budgeted in the 2019 Jenkins Avenue Widening Bond Project for the additional cost to relocate utilities from overhead to underground. However, City staff was successful in obtaining \$7,500,000 in federal funds through the Association of Central Oklahoma Governments (ACOG) to be used toward the construction of this project that was not originally

accounted for in the project fund. City staff proposes to use some of the excess bond funds that are available in the project account as a result of receiving the federal funds. This agreement with Cox will require a transfer of funds in the amount of \$220,000 from Jenkins Avenue Widening Project, Construction (Account 50594019-46101; Project BP0417) to the Utilities Account (50594019-46701).

RECOMMENDATION 1:

Staff recommends a transfer of the budgeted construction funds in the amount of \$220,000 from the Jenkins Avenue Widening Project, Construction Account to the Utilities Account.

RECOMMENDATION 2:

Staff further recommends approval of Contract K-2324-106 with Cox Communications, Inc.