



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 06/23/2026

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

PRESENTER: Scott Sturtz, P.E., Public Works Director

ITEM TITLE: CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF CONTRACT K-2526-177: AN INTERLOCAL AGREEMENT BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND THE CENTRAL OKLAHOMA TRANSPORTATION AND PARKING AUTHORITY (COTPA) D/B/A EMBARK TO PROVIDE TRANSIT SERVICES FOR THE CITY OF NORMAN FROM JULY 1, 2026, THROUGH JUNE 30, 2027, IN AN AMOUNT NOT TO EXCEED \$4,905,492.25.

BACKGROUND:

On August 28, 2018, University of Oklahoma officials advised City staff of their desire to transfer non-campus bus and paratransit services in Norman to another operator by June 30, 2019 (the end of the FYE 2019 fiscal year). On May 22, 2019, Governor Stitt designated the City to be the direct recipient of federal transit funds effective upon the date the Federal Transit Administration (FTA) formally approves the City eligible to receive federal transit funds. That formal designation from the FTA occurred on June 27, 2019. Unfortunately, the complete transition of operations and maintenance of the transit services was not able to be accomplished by July 1, 2019. Thus, on June 25, 2019, the city approved contract K-1819-150 with the University to continue operating and maintaining the transit services from July 1, through August 2, 2019 as the City's contractor.

Throughout the transition, the City and the Central Oklahoma Transportation and Parking Authority (COTPA) D/B/A EMBARK collaborated on an agreement to provide the City's transit services as an independent contractor. This came to fruition with contract K-1920-30, which was approved by City Council on July 20, 2019. Contract K-1920-30 is an Interlocal Agreement between the City and EMBARK for EMBARK to provide transit services for the City. The Interlocal Agreement included the operation of the fixed routes, operation of the paratransit services, collaborative assistance with federal and state grant administration, compliance with federal and state laws and regulations, collaborative assistance with marketing and advertising, and additional start-up costs anticipated with the transition of services. The term of this first agreement with EMBARK was from August 3, 2019, through June 30, 2020.

EMBARK began operating the fixed route services on August 3, 2019; however, the City and EMBARK were not able to hire the staff and assemble the necessary resources to maintain the

public transit fleet and to operate the paratransit service at that time. On July 30, 2019, City Council approved Amendment 1 to contract K-1819-150 which extended the University's agreement to operate the paratransit services and to maintain the public transit fleet for an additional 60 days. On October 1, 2019, the City took over the maintenance of the public transit fleet and EMBARK began operating the paratransit service

Through seven years of partnering with EMBARK for paratransit and fixed-route transit services in Norman, some alterations have been made both to the service and the annual contract. No major changes were made in the 2026 fiscal year, but some of the notable changes from the first six years are highlighted below.

- Operation of Saturday service including University of Oklahoma Football home game days began August 15, 2020.
- Combination of Norman Route 124 and EMBARK OKC Route 024 effective August 10, 2020. This "Norman Express" commuter route was previously split between two transit service providers. Consolidating to a single entity operating the entire route resulted in less customer confusion and an increase of operation efficiencies.
- Integration of night services (vehicle cleaning, washing, and fueling) to be performed by EMBARK.
- Clarifying language regarding the transitions from utilizing OU facilities to the newly built Maintenance Facility and office spaces located on Northbase at 1310 Da Vinci and the renovated Norman Transit Center located at 320 E Comanche.
- Transition of fixed-route service to the new bi-directional route network on October 16, 2023, and operating out of the new downtown Norman Transit Center as recommended in the Go Norman Transit Plan, and resulting changes to the paratransit zones.
- Transition from the City providing funding to EMBARK to purchase an insurance policy, to the City providing funding for a Risk Assumption Fee to cover claims of up to \$200,000 in the fiscal year.
- Inclusion of a service expansion increasing frequency on the 112 West Lindsey route to once every 30 minutes instead of once every hour. This was recommended as Priority 2 in the Go Norman Transit Plan.
- Provision by EMBARK to provide security services at the Norman Transit Center through their existing security subcontractor.

DISCUSSION:

Over the past few months, City staff have been working with EMBARK staff to create an updated Interlocal Agreement for the FYE 2027 fiscal year. Contract K-2526-177 will maintain the core elements of the interlocal agreement including the operation of the fixed routes, operation of paratransit services, collaborative assistance with federal and state grant administration, compliance with federal and state laws and regulations, and collaborative assistance with marketing and advertising.

The only major change or update for the 2027 fiscal year is the increase in security services. If approved, EMBARK's subcontracted security service would provide coverage at the Norman Transit Center the entire time service is operated, which is 7am-10pm Monday through Friday and 10am-7pm Saturday. Currently, services are provided 8 hours per day, Monday through Saturday. In addition, some revisions were made to clarify and enumerate the specific tasks and frequency expected as part of the vehicle cleaning, washing, and fueling services.

The term of this agreement will be from July 1, 2026, through June 30, 2027, subject to annual appropriation of sufficient funding by Council. This agreement is integral to the consistent provision of public transit services in the City of Norman. The total annual cost of the agreement is estimated to be \$4,905,492.25, or approximately \$408,791.03 per month. In comparison, the total estimated operating costs for FYE 2026 with EMBARK (Contract K-2425-122) was \$4,668,082.42, or \$389,006.87 per month. This year's total increase of \$237,409.83 is primarily due to year-over-year inflationary and salary & benefits increases to maintain the EMBARK Norman fixed route and EMBARK Plus Norman paratransit services at current service levels, as well as the expansion of security services.

Fiscal year 2027 funds are budgeted and will be available July 1, 2026, in Miscellaneous Services – Transit Operating Contract Account (Number 27550277-44766).

RECOMMENDATION:

Staff recommends that City Council approve Contract K-2526-177, providing for an Interlocal Agreement between the City of Norman and the Central Oklahoma Transportation and Parking Authority (COTPA) d/b/a EMBARK for the provision of public transportation services from July 1, 2026, through June 30, 2027.