



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 6/13/2023

**REQUESTER:** Tim Miles, Capital Projects Manager

**PRESENTER:** Beth Muckala, Assistant City Attorney

**ITEM TITLE:** CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF RESOLUTION R-2223-143: A RESOLUTION OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA, DECLARING A RECOUPMENT PROJECT FOR COSTS ASSOCIATED WITH JENKINS AVENUE WIDENING PROJECT, AN ARTERIAL ROAD, FROM IMHOFF TO LINDSEY STREET.

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### **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 selected nine (9) consultant teams for interviews, which were 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 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 the on-call right-of-way acquisition services contract for the Jenkins Avenue Widening Project to Pinnacle Consulting Group, Inc. (Pinnacle) of Oklahoma City in the amount of \$74,500.

On January 24, 2023, City Council approved Contract K-2223-87, a Project Agreement with ODOT for the Jenkins Avenue Widening Project.

On May 23, 2023, City Council accepted Easements E-2223-33 through E-2223-36 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. Federal funds have been secured for federal fiscal year 2023-2024 (FFY2024), which means ODOT could take bids for the project as early as November 2023. Land acquisition has taken longer than anticipated, which has resulted in utility relocation delays. City staff anticipates a September 2024 bid opening with construction starting in early 2025.

## **DISCUSSION:**

There are six (6) unplatted parcels along the Jenkins Avenue 2019 Bond Widening Project subject to recoupment at this time. It appears all six (6) parcels will require either right-of-way and/or easements for the project. Currently these unplatted parcels have been included in the recoupment ordinance because all right-of-way and easement needs have not been finalized. All other platted parcels along Jenkins Avenue have previously dedicated additional street right-of-way for the project and have paid deferral fees and traffic impact fees for this project. A recoupment map of the unplatted parcels and a table of the recoupment parcels are attached.

By adopting Resolution R-2223-143, the City will be able to recover the appropriate costs for the Jenkins Avenue Widening Project when each parcel is platted and developed in the future. The costs subject to recoupment include those construction costs (pro rata per parcel based on linear foot fronting the street) that were not paid for with bond or federal funding, as well as acquisition costs for right-of-way needed to complete the project. According to the City's Recoupment Ordinance, if a parcel does not develop within 20 years, the right to recoup no longer applies. If the parcel develops between years 15 and 20, then the Recoupment assessment will be reduced proportionately each year until ultimately reaching zero in the twentieth year.

These property owners have been notified at least ten (10) days before Council considers adopting the recoupment resolution for the Jenkins Avenue 2019 Bond Widening Project. If

approved, the attached Resolution will be filed with Cleveland County to provide notice to all future property owners and their agents. When the Jenkins Avenue 2019 Widening Project is completed, another Resolution will be prepared for Council's consideration, indicating the actual cost of the project and the associated recoupment fee for the six (6) parcels. Recoupment fees are collected by the City upon approval by Council of a final plat of the property that is developed after the initial recoupment resolution is adopted.

**RECOMMENDATION:**

As outlined above, the Recoupment Resolution is presented with this item, as outlined in Section 26-203 of Article 26-II, Chapter 26 of the Code of the City of Norman, to preserve the right of the City to collect normal arterial roadway development costs that would normally be paid by the property developer, if the unplatted property is developed over the next twenty years. Staff recommends that Council approve Resolution R-2223-143.