



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 1/10/2022

REQUESTER: Tim Miles, Capital Projects Manager

PRESENTER: Shawn O'Leary, Director of Public Works

ITEM TITLE: CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF AMENDMENT NO. ONE TO CONTRACT K-1920-22: BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND OLSSON, INC., INCREASING THE CONTRACT AMOUNT BY \$353,504.93 FOR A REVISED CONTRACT AMOUNT OF \$1,103,964.77 TO PROVIDE CONTINUED 2019 BOND PROGRAM MANAGEMENT THROUGH DECEMBER 31, 2025, AND BUDGET APPROPRIATIONS 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 July 23, 2019, City Council approved Contract K-1920-22 with Olsson, Inc. to provide Program Management Services through December of 2022, in the amount of \$750,459.84. Olsson, Inc. is a full-service engineering firm with 30 offices in the Midwest including one in Oklahoma City. Olsson, Inc. was selected by the City of Norman following a nationwide search.

DISCUSSION:

Olsson, Inc. has been performing the 2019 Bond Program Management duties since July 2019 with the intent to continue these services through 2030 as long as City staff continues to be satisfied with the services provided. The scope and fee was generally established for the ten (10) year program length under the original contract. However, the contract format established with Olsson allowed the City of Norman the flexibility to monitor consultant performance and modify scope needs at various intervals throughout the life of the approximately 11-year agreement. The original agreement in the amount of \$750,459.84 that City Council approved in July 2019 was intended to cover services provided through the end of 2022.

Olsson, Inc. performs multiple program management tasks for City staff on the 2019 Bond Program. Some tasks require additional resources than what City staff have available to them

and all tasks help free up time so City staff can focus on project specific items. Below is a summary of some of the more important program management tasks:

Program Management Tasks

- Program Budget Tracking
- Quarterly Report Project Summaries
- Maintain active and completed projects website
- Maintain project budgets app for staff use
- Monthly status update meetings
- Monthly consultant progress meetings
- Tracks project schedules and holds consultants accountable
- Actively seeks federal funding opportunities
- Grant writing as needed

Contract Amendment No. 1 in the amount of \$353,504.93 will fund Olsson's continued Program Management services through the end of 2025 plus certain additional services not included in the original contract scope. Attachment A contains a slightly modified Scope of Services from the original scope. The only major scope change was adding in grant writing as a task, which will allow staff to utilize Olsson on potential grant opportunities for the currently unfunded 2019 Bond Projects.

Funding for these services was budgeted in the 2019 Bond Program by allocating 2% of the estimated construction cost of the bond projects, or \$1,773,215 to hire a consultant to provide Program Management Services for these projects. The original contract amount of \$750,459.84 plus the Contract Amendment No. 1 amount of \$353,504.93 totals \$1,103,964.77 or 62% of the total budget amount. This leaves \$669,250.23 or 38% of the budget for years 2026-2030.

Staff proposes to fund Amendment No. 1 to Contract K-1920-22 with Olsson by appropriating funds both from previously allocated Bond Project funds and from unallocated bond funds. Appropriating funds from the Capital Funds balance is necessary because some of the later scheduled projects need some initial Program Management even though these projects have not already been allocated funds. Project Management Bond Project, Design (Account 50594019-46201; Project BP0455) has been established to pay and track all of the 2019 Bond Project Program Management Costs from one project instead of nineteen (19) separate projects. The attached Appropriation of Funds Table shows the necessary fund appropriations for the \$353,504.93, three (3) year contract with Olsson.

If approved, Olsson will continue providing program management duties on the 2019 Bond Projects through December 31, 2025.

RECOMMENDATION NO. 1:

City Council previously authorized the sale of General Obligation Bonds for the 2019 Bond Program. Funds are available for this Program Management task. Staff recommends appropriating \$353,504.93 from the various project numbers and accounts as outlined below to the Project Management Bond Project, Design (Account 50594019-46201; Project BP0455).

Gaining Account	Losing Account	Amount
Project BP0455 GOB 2019 Project Oversight Design Account No. 50594019-46201	Project No. BP0425 36th Ave. NW - N. of Indian Hills Rd to Moore C.L. Design Account No. 50594019-46201	\$46,370.16
	Project No. BP0423 36th Ave. SE - Cedar Lane Road to State Hwy. 9 Design Account No. 50594019- 46201	\$92,002.00
	Project No. BP0426 24th Ave. NE - Rock Creek Rd. to Tecumseh Rd. Design Account No. 50594019-46201	\$121,257.00
	Project No. BP0427 48th Ave. NW - Ph. 1 - Robinson St. to Rock Cr. Rd. Design Account No. 50594019-46201	\$13,475.77 *
	Capital Fund Balance Account No. 050-0000-253.20-00 2019 General Obligation Bonds	*\$80,400.00*

Total \$353,504.93

*** Note: Funds from the below accounts are receiving an advance of funds from future years funds so the noted amount shall be deducted from future year Bond Project design account budget transfers.**

	Amount
Lindsey Street Special Corridor-Elm Avenue to Jenkins Avenue (BP0428)	\$13,400.00
Indian Hills Road - 48th Avenue NW to Interstate 35 (BP0429)	\$13,400.00
48th Avenue NW - Phase 2 - Rock Creek Road to Tecumseh Road	\$13,400.00
Lindsey Street Special Corridor-Pickard Avenue to Elm Avenue (BP0432)	\$13,400.00
Tecumseh Road - 12th Ave NE to 24th Ave NE (BP0433)	\$13,400.00
Rock Creek Road - Queenston to 24th Avenue NE (BP0434)	\$13,400.00

Total \$80,400.00

RECOMMENDATION NO. 2:

Staff recommends the approval of Amendment No. 1 to Contract K-1920-22 with Olsson, Inc. in the amount of \$353,504.93 for the continuation of 2019 Bond Program Management through December 31, 2025.