



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 3/28/2023

REQUESTER: Wade Thompson, Parks and Facilities Manager

PRESENTER: Jason Olsen, Parks and Recreation Director

ITEM TITLE: CONSIDERATION OF APPROVAL, ACCEPTANCE, ADOPTION, REJECTION, AND/OR POSTPONEMENT OF RATIFICATION OF THE DECLARATION OF AN EMERGENCY TO REPAIR THE PROPERTY AT 718 NORTH PORTER AVENUE BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND CAVINS CONSTRUCTION AND ENVIRONMENTAL GROUP IN THE AMOUNT OF \$162,546.08 AND OKLAHOMA FIRE PROTECTION, INC. IN THE AMOUNT OF \$10,770 FOR A TOTAL AMOUNT OF \$173,316.08 AND BUDGET APPROPRIATION AS OUTLINED IN THE STAFF REPORT.

BACKGROUND:

The City acquired a building located at 718 N. Porter Avenue, previously owned by Norman Regional Health Systems (NRHS). After the transaction, City staff conducted a non-invasive inspection to check the overall condition of the facility. At the time of assessment during the summer of 2022, we concluded that much of the HVAC system was in operation. Therefore, we placed the unoccupied building in "mothball" status, setting thermostats to 77 degrees Fahrenheit and securing the doors. At the time, this building was expected to be part of a quick-turn transaction with Cleveland County Health Department (CCHD) for future expansion.

DISCUSSION:

On December 26, 2022, Facilities Maintenance received a message from the Norman Fire Department that there had been a break in the fire suppression system at 718 N. Porter Avenue, resulting in significant water damage. The Facilities Maintenance Supervisor dispatched to the site immediately and determined there was no heat or electricity in operation, and the water damage was substantial. As a result, the Facilities Maintenance Supervisor concluded quick and decisive action was necessary to avert potential human health hazards (i.e., mold) and exponential recovery costs.

Staff coordinated with a Norman-owned business, Cavins Construction and Environmental Group (CEEG), to conduct an on-site inspection the next morning. They reaffirmed our conclusion that rapid action was required. They immediately began water extraction and demolishing damaged areas, on City Staff's direction. The water damage was significant on the second floor, where fire suppression lines broke, and continued through the first-floor drop

ceilings and carpeted areas. Much of the facility's mechanical and electrical equipment was also saturated and compromised.

Upon further investigation, it was determined that utilities were never changed to be identified as the City of Norman property. NRHS discontinued electrical at some point after the transaction. Having placed the facility in "mothball" status, we were unaware of discontinued utilities until December 26, 2022. In a second line of effort, the Facilities Maintenance Supervisor worked with the Finance Department to initiate accounts and restore water and electrical services. Unfortunately, natural gas could not be restored because a leak had been detected between the facility entrance and the boiler. Natural gas remains isolated at this time.

Once initiating water extraction, the lower two feet of drywall were removed, which is standard industry practice for water damage of this magnitude. Although the rapid deployment of CCEG mitigated significant damage from this event, pre-existing mold was discovered in various areas throughout the facility, notably around the restrooms, maintenance closets, and the elevator. We initially treated a few areas of decay, which was expected to take a few days, but after continual testing and mitigation, additional mold damage was discovered and required treatment.

As of February 2023, 718 Porter has dried out from the water damage, all mold has been remediated, and the fire suppression system has been repaired. The cost for the water damage, which includes water extraction, the demolition of flooring and adhesive, ceiling tiles, furniture, and drywall and insulation, is \$75,956.70. The cost for mold testing and remediation totaled \$86,589.38. The repair to the broken sprinkler lines must be completed by certified fire suppression repair personnel at a total cost of \$10,770. The total cost for all expenses is \$173,316.08. The Facilities Maintenance staff made a quick and decisive decision due to the emergency conditions of the building. The City Code allows for emergency actions and contractual arrangements to be approved by the City Manager, in exception from normal competitive bidding and contractual approval requirements. The City Council is requested to ratify these emergency actions.

To cover payment, \$ 132,581 in funds was transferred from General Fund Professional Services – 1% Emergency Reserve (10110101-44097) and \$35,221 is recommended to be appropriated from General Fund Balance (10-29000) to the Risk Management Fund, Miscellaneous Services – Uninsured Losses (account 43330104-44798).

RECOMMENDATION No 1:

It is recommended that The City of Norman ratify staff actions and approve payment to Cavins Construction and Environmental Group in the amount of \$162,546.08 and to Oklahoma Fire Protection in the amount of \$10,770 for the water extraction, mold remediation, and fire suppression repairs at 718 North Porter Avenue.

RECOMMENDATION No 2:

It is recommended that The City of Norman approve the appropriation of funds as noted above.