



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 12/14/2021

REQUESTER: Shawn O'Leary, Director of Public Works

PRESENTER: Heather Poole, Assistant City Attorney

ITEM TITLE: CONSIDERATION FOR APPROVAL, GRANTING, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF AMENDMENT FIVE TO CONTRACT K-1920-32: BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND THE BOARD OF REGENTS OF THE UNIVERSITY OF OKLAHOMA, EXTENDING THE TERM OF THE LEASE AGREEMENT FOR OFFICE SPACE, SERVICE BAYS, FLEET STORAGE, AND WAREHOUSE/GARAGE SPACE TO BE USED FOR PROVIDING TRANSPORTATION SERVICES UNTIL JANUARY 31, 2022, OR UPON SUBSTANTIAL COMPLETION AND OCCUPATION OF THE NORTH BASE COMPLEX PROJECT, PHASE 1, BY THE CITY OF NORMAN.

BACKGROUND:

The City of Norman assumed operation of the public transportation system in the Norman area on July 1, 2019. On July 30, 2019, the Council approved Contract K-1920-32 with the Board of Regents of the University of Oklahoma to lease University property, known as the OU Transportation Operations Center, at 510 Chesapeake, for a maintenance facility for the transit system the City of Norman now operates. While the initial contract terminated on December 31, 2019, it has extended, through multiple mutual agreements, through December 31, 2021. Additional time is needed, however, to allow adequate time for the City's North Base Complex Project Phase I to be completed.

DISCUSSION:

Contract K-2021-35 was entered into by the City of Norman with Flintco, L.L.C. to construct the North Base Complex Project, Phase I. The initial projected completion date for the project was July 30, 2021. This project is located adjacent to the City Service Facility at Da Vinci Street off of North Flood Avenue. These buildings will house the Park Maintenance Division staff and fleet; provide for public transportation fleet maintenance and staff services for buses; and provide for public safety-related heavy equipment fleet services for fire trucks. The building construction project has been delayed mostly due to slow delivery of certain supplies and materials. These delays in building the North Base Complex Project Phase I will require an extension of the lease term from December 31, 2021 to January 31, 2022 or until the North Base Complex Project, Phase I, is substantially completed. If the construction is completed prior to December 31, 2021

the City can terminate its lease with the Board of Regents and move the maintenance operations for the transit system into the City's maintenance facility.

The lease terms are:

1. \$514.35 a month for the office space;
2. \$5,400 a month for the warehouse/garage space;
3. \$100 for each parking spot reserved for the City's use

Funds are available for ongoing lease-related expenses in the Public Transit Fund, Outside Auto Repair (Account Org 27550276, Object 44201) for Fleet Maintenance and Office Space Rental (Account Org 27550277, Object 44503) for Administration and Office Space.

RECOMMENDATION:

It is recommended that City Council approve Amendment 5 to Contract K-1920-32, thus extending the lease of the University of Oklahoma Transportation Operations Center building being used by the City's transit system until January 31, 2022 or until such time that the North Base Complex Project, Phase I, is substantially completed, whichever occurs first. This will allow the City to not expend unnecessary rent but allow the Norman public transportation system to continue to operate effectively while waiting on the completion of its own maintenance and support facilities.