



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 01/18/2022

**REQUESTER:** City of Norman Police Department

**PRESENTER:** Major Brent Barbour

**ITEM TITLE:** CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF AMENDMENT NO. THREE TO CONTRACT K-1617-69: BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, THE NORMAN MUNICIPAL AUTHORITY AND ARCHITECTS DESIGN GROUP, INC., (ADG) INCREASING THE CONTRACT AMOUNT BY \$1,097,405 FOR A REVISED CONTRACT AMOUNT OF \$2,152,611 TO PROVIDE ADDITIONAL PROFESSIONAL ARCHITECTURAL DESIGN SERVICES, AND ADDING THE NORMAN MUNICIPAL AUTHORITY AS A PARTY TO THE CONTRACT AND ITS VARIOUS AMENDMENTS, FOR THE EMERGENCY COMMUNICATIONS CENTER/EMERGENCY OPERATIONS CENTER (ECC/EOC).

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### **BACKGROUND:**

This item is a contract with an architectural firm to provide continued planning and design services for the Emergency Communications Center / Emergency Operations Center Project (ECC/EOC). The additional services would provide development of remaining design documents and materials to include necessary items that over time have been able to be added back in to the project scope. The background and history of the Project that has solidified funding and brought the City to this point is outlined below.

On April 1, 2014, the voters of Norman approved Ordinance O-1314-33, extending the dedicated ½ percent Public Safety Sales Tax (PSST) permanently (effective October 1, 2015). The Ordinance directed that 71 personnel added to the City public safety workforce be made permanent; an additional 19 personnel be added over a period of four years (13 police officers to staff a School Resource Officer program; 4 additional Dispatchers; and 2 Emergency Vehicle Mechanics); and a program to replace or acquire Critical Public Safety Capital Needs be implemented. The Critical Public Safety Capital Needs were identified, in priority order, as follows:

Emergency Communication System Replacement - \$15,000,000

Emergency Operations/Dispatch Center Facility - \$ 6,500,000

Fire Apparatus Replacement Program - \$ 6,800,000

Reconstruct/Relocate Fire Station #5 - \$ 3,500,000

**TOTAL - \$31,800,000**

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In discussions and presentations leading up to the approval of the PSST extension, the plan to finance the Emergency Communications (Radio) System and Emergency Operations Center (EOC) facilities through some type of debt issuance was discussed and acknowledged, due to the need to have those facilities functional before sufficient PSST revenues would accrue. Under this plan, available PSST Fund balance would be used as a partial “down payment” on the Communication System and ECC/EOC facility and PSST Fund balance would be used to pay for the fire apparatus and Fire Station 5 reconstruction on a pay-as-you-go basis, as funds became available after the Radio System and ECC/EOC were financed.

Subsequent to the passage of the PSST extension (“PSST II”), Fire Department staff presented to the City Manager and Council Finance Committee the immediate need to replace the most critical of the fire apparatus, a platform fire truck with an estimated cost of \$1,100,000. The Police Department staff also presented the need to hire the School Resource Officer program personnel a year in advance of the time originally projected. It was predicted that the PSST Fund would be able to absorb these advanced expenses, but the amount of debt financing that would be required with this accelerated schedule would be increased. The Finance Department and Legal Department staff, in consultation with the City’s financial advisor and bond counsel teams, proposed a financing package, including the Emergency Communications System, the ECC/EOC Facility and the fire platform truck. This comprehensive financing package for the Critical Public Safety Capital needs was discussed and approved by the Council Finance Committee on February 12, 2015. Proposals from qualified local and regional banking institutions to provide approximately \$22,825,000 in financing with a final maturity in 12 years, secured by a pledge of the PSST II proceeds, were solicited.

Responses in the form of interest rate proposals were received on March 10, 2015, and the lowest and best interest rate bid was forwarded for consideration of the Norman Municipal Authority (NMA) Trustees and Council. Information on the tabulated interest rate bid proposals was distributed at the meeting, as an attachment. The Norman Municipal Authority Trustees and Council considered two resolutions. Several actions were accomplished by the resolutions. Resolution R-1415-90 was a Resolution of the NMA to issue the debt, and R-1415-91 was a resolution of the City of Norman authorizing the issuance of the debt by the NMA in an aggregate amount not to exceed \$22,825,000.

The NMA Resolution (R-1415-90) authorized the following actions:

- Authorize the Issuance of the PSST Revenue Notes;
- Pledge the Revenues of the PSST II sales tax and a portion of the dedicated Capital Sales Tax, subject to annual appropriation, to the repayment of the note indebtedness;
- Waive Competitive Bidding and Authorize the Note to be sold on a Negotiated Basis; Authorize a Sales Tax Agreement between the City of Norman and the NMA;
- Establish the Tax-Exempt Nature of the Note; and
- Authorize the Chair of the NMA Board of Trustees to execute final documents related to the financing

The City of Norman Resolution (R-1415-91) authorized the following actions: Approve the Incurrence of the Indebtedness by the NMA; Waive Competitive Bidding and Authorize the Note to be sold on a Negotiated Basis; Authorize a Sales Tax Agreement between the City of Norman

and the NMA; Establish the Tax-Exempt Nature of the Note; and Authorize the Mayor to execute final documents related to the financing.

That financing closed and those revenues for the Project are noted as Bond Proceeds in the PSST Fund Summary in the Capital Fund Budget document. During the budget process, the City budgeted expenditures of \$500,000 in fiscal year 2015-2016 (FY16) for Design (account 015-9523-419.62-01) and in FY17, \$2,000,000 for Land (account 015-9523-419.60-01; project BP0029) plus \$4,000,000 for materials (account 015-9523-419.63-01; project BP0029) for the ECC/EOC facility. This totals the \$6,500,000 identified for the ECC/EOC facility in the original PSST II Plan. With funding for the Project secured, the design and construction process was then moved forward.

A Request for Qualifications (RFQ 1516-58) was issued on May 16, 2016 asking for firms to present their qualifications for architectural and engineering design of the ECC/EOC. A total of six firms submitted their qualifications for the EOC project. The RFQ responses were reviewed by a Selection Committee of professional staff including Major Kevin Foster, Police Staff Support Bureau; Police Captain Blake Green; Lance Terry, Communications Systems Manager; Angelo Lombardo, Chief Traffic Engineer; and Scott Sturtz, City Engineer. All six firms were scored by each member of the Selection Committee and two firms stood out from the others. These two firms were given the opportunity to present in -person to the Committee. Following the presentations, the Architects Design Group of Winter Park, Florida was selected for this project.

RFQ 1516-58 proposed that the ECC/EOC Design project be completed in phases, similar to other City public works projects. Phase 1 would include a detailed spatial needs assessment, analysis, master planning, and site surveying, and a conceptual building design. Other Phases would include the schematic design and development, preparing construction documents, and assistance in bidding. Other Phases would include construction oversight services by the architectural firm as well as post construction services.

Amendment No. Two to Contract K-1617-69 allowed for design of a facility, which will allow for a much safer and productive facility designed to not only meet the current emergency communication and operations needs of Norman but those of our future. This work has now been completed and awaits further progress authorized in this submission.

On May 25, 2021, the City Council appropriated \$9,500,000 in American Recovery Plan Act entitlement funding (Resolution R-2021-128) to provide for full completion of the ECC/EOC project. The 19,800 square foot design provides for all necessary components and fully hardens the entire structure to help ensure its usability in the event of severe weather emergencies. Project management is ongoing and a Construction Manager at Risk contract is pending for the consideration of the Council/NMA which will hasten to completion of the project.

## **DISCUSSION:**

The space analysis and spatial needs assessment completed in phase 1 recommended a 27,000 square foot facility. During the design phase, a substantial Value Engineering (VE) process was completed lasting from approximately December 2017 through October 2019. The VE process was necessary to ensure the ECC/EOC building was designed and constructed within the provided \$6,500,000 funds allotted for the project. This process resulted in the removal of several critical components of the building including; "Hardening" of the entire structure for

storm protection (only the IT/Data center remained hardened in this scenario); 31% reduction in dispatch consoles; Approximately 10,000 square foot reduction, including removal of training space, supervisor offices and reduced space for EOC and Traffic Management Center (TMC); Removal of vehicle storage/work space. In November of 2019 the City completed necessary Platting process for the entire site. In December 2019 permitting reviews commenced and were completed. At that time, the significantly reduced 12,000 Sq. Ft facility was ready for distribution for construction bids.

The Citizen's Public Safety Sales Tax Oversight Committee, upon its review of the project, has historically and strongly supported inclusion of the reduced items, especially the hardening, inclusion of dispatch consoles, and Traffic Management Center scope.

Amendment No. Two to Contract K-1617-69 completed the Schematic Design (SD) for the program's full scope and hardening of the entire structure. Amendment No. Three will authorize completion of the necessary Phase 2 and other work for the project's completion. This amendment adds \$1,097,405 in architectural and engineering services to Contract K-1617-69. Additionally, this Amendment No. 3 adds the Norman Municipal Authority as a party to the contract K-1617-69 and its various amendments because this project is funded, in part, with bond money from the Norman Municipal Authority.

If approved, the design is intended to be developed in a way that allows for its use with approved additional funding to complete the final design for the Emergency Communications and Emergency Operations Center. Additionally, before the City Council for consideration on this same date is Contract K-2122-88 which, if also approved together with this contract, would allow City Staff and contractors a swift path for getting construction of these imperative facilities underway as soon as possible.

#### **RECOMMENDATION:**

Staff recommends that the City Council approve Amendment No. Three to Contract K-1617-69 with Architects Design Group/ADG, Inc., increasing the contract amount by \$1,097,405 for a revised contract amount of \$2,152,611, and adding the Norman Municipal Authority as a party; and, if approved, authorize the execution thereof. Funds from proceeds of the 2015 Norman Municipal Authority Sales Tax Notes are available in the Public Safety Sales Tax Fund Emergency Communications Center, Design (15695523-46201, Project BP0029).