



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 04/15/2025

**REQUESTER:** Michele Loudenback, Environmental and Sustainability Manager

**PRESENTER:** AshLynn Wilkerson, Assistant City Attorney

**ITEM TITLE:** CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT AND/OR POSTPONEMENT OF CONTRACT K-2425-109: BY AND BETWEEN THE CITY OF NORMAN AND MENTAL HEALTH ASSOCIATION OKLAHOMA, FOR THE ADMINISTRATION OF THE “A BETTER WAY – OPPORTUNITY KNOCKS” PROGRAM AND BUDGET APPROPRIATION AS OUTLINED IN THE STAFF REPORT.

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### **BACKGROUND:**

The State of Oklahoma entered into a settlement agreement on June 24, 2022 with McKesson Corporation, Cardinal Health, Inc., and Cencora, Inc. (f/k/a AmerisourceBergen Corporation) to resolve opioid-related claims against such opioid distributors. Although the City of Norman did not participate in the litigation, the City elected to participate in the Distributor Settlement Agreement as a Non-Litigating Political Subdivision (NLPS) on August 18, 2022. Such participation required the City to agree to be bound by the terms of the Distributor Settlement and release the three distributors mentioned above from any claims the City had or may have against them related to the State’s opioid litigation.

The three distributors have paid, and will continue to make annual payments to the State over an eighteen (18) year period, for Opioid Remediation purposes, as defined in the Distributor Settlement Agreement. In pursuit of local programs consistent with these authorized uses, the City issued Request for Proposal RFP-2324-34 to solicit a professional organization to develop and operate a daily work and wrap-around service program for individuals experiencing homelessness, with a focus on those at risk of or experiencing Opioid Use Disorder (OUD) or co-occurring Substance Use Disorder (SUD) and mental health conditions.

After reviewing and scoring all responses to RFP-2324-34, Mental Health Association Oklahoma (MHAO) was selected as the top candidate based on its proposal and its experience with similar programs in Tulsa and Oklahoma City.

**DISCUSSION:**

Contract K-2425-109 would establish an agreement with MHAO to administer the "A Better Way – Opportunity Knocks" program in Norman. This program will provide employment opportunities and social services targeted toward individuals experiencing homelessness with a focus on those individuals impacted by OUD, SUD, and/or co-occurring mental health conditions.

Under this program, a City-owned van will operate three days per week, collecting up to eight participants per day from various locations within Norman for the day labor beautification initiative. Priority for participation will be given first to individuals experiencing or recovering from OUD, SUD, and/or co-occurring mental health conditions. Participants will be transported to predetermined City-owned sites to perform community beautification tasks, such as litter removal. They will receive wages for their labor, meals, and opportunities for engagement with a Case Manager and Employment Specialist who will offer wrap-around social services, connections to care, and employment support. Additionally, the Case Manager and Employment Specialist will have flexibility to interact with participants outside the scheduled work activities, facilitating services in public spaces and other convenient locations.

The agreement includes an initial one-year term, with provisions for up to four additional one-year renewals, for a maximum of five years. MHAO will oversee daily operational activities, including transportation, supervision, wage payments, and coordination of social services. Required reporting includes monthly and annual updates on participant outcomes related to performance metrics for program evaluation. The total contract amount for the first year is \$383,633, and it would be primarily funded through the City's opioid settlement funds.

**RECOMMENDATION:**

Staff recommends approval of Contract K-2425-109 in the amount of \$383,633, with an appropriation of \$333,633 from Opioid Settlement Funds (Account No. 22-11015), to Professional Services-Other (Account No. 22122371-44099) for the allowable program expenses and \$50,000 from the Sanitation Fund Balance (33-29000) to Professional Services-Other (Account No. 33955164-44099) for sanitation-related program expenses.