



Legislation Text

File #: K-1920-22, **Version:** 1

CONTRACT K-1920-22: A CONTRACT BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND OLSSON, INC., IN AN AMOUNT NOT-TO-EXCEED \$750,459,84 TO PROVIDE PROGRAM MANAGEMENT SERVICES FOR THE 2019 TRANSPORTATION BOND PROJECTS, AND ADOPTION OF RESOLUTION R-1920-19 APPROPRIATING AND TRANSFERRING FUNDS FOR THE PROJECT.

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).

DISCUSSION: As a part of the 2019 Bond Program budget, 2% of the estimated construction cost of the bond projects or \$1,773,215, was budgeted to hire a consultant to provide Program Management Services for these nineteen (19) projects. Similar to the Norman Forward Program Management, the 2019 Transportation Bond Program Management will include developing an Implementation Plan and Project Timeline to ensure all projects stay on schedule and on budget for the ten-year life of this program. No new staff has been added to manage this new program, so these outsourcing services are being added to fill the gap.

In March 2019, the Public Works Department prepared a request for proposals (RFP) to solicit the engineering services necessary to provide Program Management for the 2019 Bond Projects. Six (6) proposals were received for the project. The Selection Committee included three (3) staff members consisting of Scott Sturtz, City Engineer; Angelo Lombardo, Transportation Engineer; Dr. Carrie Evenson, Stormwater Program Manager; and two (2) private citizens including Tom Woodfin, University of Oklahoma Professor and Bicycle Advisory Committee Member; and Amanda Nairn, Oklahoma Water Survey and Stormwater Citizen Steering Committee Co-Chair. The Selection Committee members independently scored each proposal on a point scale, as defined in the request for proposal. Upon review of the proposals by the Selection Committee, three (3) firms were selected for interviews. The proposal by Olsson of Oklahoma City was selected for the project.

The scope and fee has been established for the ten (10) year program length. However, tonight's Council item is for a four (4) year agreement with Olsson in the amount of \$750,459.84. This allows staff flexibility to make changes to the scope, if needed, by contract amendment before proceeding with a contract extension.

Staff recently sold \$20 million in bonds to fund approximately the first two (2) years of the 2019 Bond Program. Of the \$20 million in bond funds, \$8,345,803 has been budgeted for FY2020 to pay for the initial costs of the first seven (7) bond projects. The remaining balance in the amount of \$11,654,197 is located in "Capital Fund Balance (Account Number 050-0000-253.20-00) - 2019B General Obligation Bonds".

Staff proposes to fund Contract K-1920-22 with Olsson by using the Bond Project funds allocated in FY2020 and appropriating unallocated bond funds. Appropriating funds from the Capital Fund balance is necessary because all of the projects need some initial Program Management even though these projects were not specifically allocated any funds in FY2020. Project Management Bond Project, Design (account 050-9419-431.62-01; 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 \$750,459.84 four (4) year contract with Olsson.

If approved, Olsson will begin work on the Program Management immediately. If the City is satisfied with Olsson's performance, near the end of 2022, staff will prepare a contract amendment for City Council's consideration to extend the Program Management Services with Olsson.

RECOMMENDATION NO. 1: City Council recently authorized the first sale of General Obligation Bonds for the 2019 Bond Program. Funds are available for this Program Management task. Staff recommends transferring \$750,459.84 from the various project numbers and accounts as shown on the attached Appropriation of Funds Table to the Project Management Bond Project, Design (account 050-9419-431.62-01; project BP0455).

RECOMMENDATION NO. 2: Staff recommends approval of Contract K-1920-22, with Olsson for the 2019 Bond Projects Program Management.