



Legislation Text

File #: K-2021-128, **Version:** 1

CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF CONTRACT K-2021-128: AN INTERLOCAL AGREEMENT BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND THE CENTRAL OKLAHOMA TRANSPORTATION AND PARKING AUTHORITY (COTPA) D/B/A EMBARK TO PROVIDE TRANSIT SERVICES FOR THE CITY OF NORMAN FROM JULY 1, 2021, THROUGH JUNE 30, 2022, IN AN AMOUNT NOT TO EXCEED \$3,351,968.

BACKGROUND: On August 28, 2018, University of Oklahoma officials advised City staff of their desire to transfer non-campus bus and paratransit services in Norman to another operator by June 30, 2019 (the end of the FYE 2019 fiscal year).

On May 22, 2019, Governor Stitt designated the City to be the direct recipient of federal transit funds effective upon the date the FTA formally approves the City eligible to receive federal transit funds. On June 20, 2019, the FTA designated the City to be the direct recipient of federal transit funds.

While the City was able to become the designated recipient of federal transit funds, the complete transition of operations and maintenance of the transit services was not able to be accomplished by July 1, 2019. Thus, on June 25, 2019 the City approved Contract K-1819-150 with the University to continue operating and maintaining the transit services from July 1 through August 2, 2019 as the City's contractor.

Throughout the transition, the City and the Central Oklahoma Transportation and Parking Authority (COTPA) d/b/a EMBARK were collaborating on an agreement to provide the City's transit services as an independent contractor. This came to fruition with contract K-1920-30, an Interlocal Agreement between the City and EMBARK for EMBARK to provide transit services for the City which was approved by City Council on July 20, 2019. The Interlocal Agreement included the operation of the fixed routes, operation of paratransit services, collaborative assistance with federal and state grant administration and compliance with federal and state laws and regulations, collaborative assistance with marketing and advertising, and additional start-up costs anticipated with the transition of services. The term of this first agreement with EMBARK was from August 3, 2019, through June 30, 2020.

EMBARC began operating the fixed route services on August 3, 2019; however, the City and EMBARK were not able to hire the staff and assemble the necessary resources to maintain the public transit fleet and to operate the paratransit service at that time. On July 30, 2019, City Council approved Amendment 1 to Contract K-1819-150 which extended the University's agreement to operate the paratransit services and to maintain the public transit fleet for an additional 60 days. On October 1, 2019, the City took over the maintenance of the public transit fleet and EMBARK began operating the paratransit service.

City staff worked with EMBARK staff to create an updated Interlocal Agreement for the FYE 2021

fiscal year. Contract K-1920-137 was similar in many ways to K-1920-39, the FYE 2020 agreement, in that EMBARK provided transit services for the City, including the operation of the fixed routes, operation of paratransit services, collaborative assistance with federal and state grant administration and compliance with federal and state laws and regulations, and collaborative assistance with marketing and advertising.

However, the following were key changes/updates:

- Since the City had successfully operated the transit system for a fiscal year, there were less references and language referring to transition items;
- Operation of Saturday service began August 15, 2020. This included University of Oklahoma football game days, with operations out of a temporary hub due to street closures and traffic conditions around the current transfer station on Brooks Street;
- Combination of Norman Route 124 and EMBARK OKC Route 024 effective August 10, 2020;
 - For many years, the operations of the commuter route between Norman and Oklahoma City (the “Sooner Express”) was split between the two transit service providers. This caused confusion for passengers, due to the need to call one entity or the other for route information and bus location. There had been discussions in the past regarding one entity operating the entire commuter route. With EMBARK OKC operating the full route, there is less customer confusion and an increase in operation efficiencies.
- Official adoption of key EMBARK policies: Rider Conduct and Exclusion Policy, EMBARK Norman Plus ADA Guide, and EMBARK Advertising Policy.

The term of the FYE 2021 agreement, K-1920-137 was from July 1, 2020, through June 30, 2021.

DISCUSSION: Over the past few months, City staff have been working with EMBARK staff to create an updated Interlocal Agreement for the FYE 2022 fiscal year. Contract K-2021-128 is similar in many ways to K-1920-137, the FYE 2021 agreement, in that EMBARK is to provide transit services for the City, including the operation of the fixed routes, operation of paratransit services, collaborative assistance with federal and state grant administration and compliance with federal and state laws and regulations, and collaborative assistance with marketing and advertising.

However, the following are some key changes/updates:

- Clarifying language regarding the transition from utilizing the OU facility the City is leasing, to the new City facility being built on Northbase.
- Added language regarding advertising on the buses. It is proposed that the City utilize EMBARK’s contractor to sell and produce the advertisements. EMBARK would credit the City’s monthly invoice for any revenue due to the City from this arrangement.
- Additional, clarifying language regarding insurance and liability between the two entities.

The term of the agreement is from July 1, 2021, through June 30, 2022, subject to annual appropriation of sufficient funding by Council. This Agreement is integral to the consistent provision of public transit services in the City of Norman. The total annual cost of the agreement is estimated to

be \$3,351,968, or approximately \$279,331 per month. In comparison, the total estimated operating costs for FYE 2021 with EMBARK (Contract K-1920-137) was \$3,044,074 or \$253,673 per month. The increase is in large part due to the increase in liability insurance premiums for transit agencies in the market. There were also increases in employee union wages.

Fiscal Year 2022 funds are available in Miscellaneous Services - Transit Operating Contract (Account Number 27550277-44766).

RECOMMENDATION: Staff recommends approval of Contract K-2021-128, providing for an Interlocal Agreement between the City of Norman and the Central Oklahoma Transportation and Parking Authority (COTPA) d/b/a EMBARK for the provision of public transportation services from July 1, 2021 through June 30, 2022.