

CITY COUNCIL BUDGET RETREAT MINUTES

March 30, 2017

The City Council of the City of Norman, Cleveland County, State of Oklahoma, met in a Budget Retreat at 4:34 p.m. in the Municipal Building Conference Room on the 30th of March, 2017, and notice and agenda of the meeting were posted at the Municipal Building at 201 West Gray, and the Norman Public Library at 225 North Webster 48 hours prior to the beginning of the meeting.

PRESENT: Councilmembers Allison, Castleberry, Chappel, Clark, Heiple, Hickman, Karjala, Holman, Mayor Miller

ABSENT: None

Item 1, being:

CONTINUED DISCUSSION OF THE FYE 2017-2018 CAPITAL BUDGET IMPROVEMENT PROGRAM BUDGET AND THE FYE 2018-2022 CAPITAL IMPROVEMENT PLAN.

Ms. Susan Connors, Director of Planning and Community Development, said tonight's presentation will focus on the FYE 2018 Capital Budget and FYE 2019-2022 Capital Improvements Plan. On November 15, 2016, Council was updated on funded projects and discussed priorities. On February 28, 2017, Council discussed proposed new projects and the Finance Committee reviewed the Capital Budget on March 9, 2017. Council will review the final proposed Capital Improvements Plan on May 2, 2017. She said revenue assumptions are projected to be 2.5% over FYE 2017 and 4.0% over in FYE 2019-2022.

Ms. Connors highlighted funding sources for Fund 50 Capital Fund as follows:

- Capital Sales Tax (0.7%);
- General Obligation Bonds;
- Interest Income;
- Grants; and
- Private Development Funds.

Ms. Connors said, historically, the Capital Sales Tax of 0.7% is broken down into the categories of Capital Outlay – 27%; Street Maintenance – 25%; Other Street Projects – 36%; Existing Facilities - 5%; and Contingency – 7%.

Direction from the Finance Committee was to maintain the health of the Capital Fund, accommodate declining sales tax, and set aside \$1 million per year for the Senior Citizens Center over the next six years. Ms. Connors said in order to meet these goals FYE 2017 projects would need to be postponed (one year) and highlighted those projects as follows:

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|--|-----------|
| ▪ 36 <sup>th</sup> Avenue N.W. – Indian Hills to City Limits | \$518,000 |
| ▪ Indian Hills Road Signals                                  | \$300,000 |
| ▪ State Highway 9 (SH9) Multi-Modal Path, Phase 2            | \$175,000 |
| ▪ City Website Design  | \$138,000 |

Ms. Connors said FYE 2018 project postponements include the following:

- 201 West Gray Carpet \$110,000
- City Manager/City Clerk Office Security and Remodel \$107,000
- Porter Avenue/Acres Street Intersection \$250,000

FYE 2019 project postponements include the following:

- 201 A West Gray Generator \$121,000
- Porter Avenue/Acres Street Intersection \$200,000

Ms. Connors said proposed projects being eliminated in FYE 2018 include Community Neighborhood Plans - \$100,000 and Traffic Calming - \$50,000. She said projects originally proposed to be eliminated, but were added back into FYE 2018 include the 201 West Gray Generator - \$165,000; Bridge Maintenance -\$100,000; Concrete Valley Gutter -\$75,000; Greenbelt Acquisition - \$50,000; Tree Match - \$10,000; and Replace Core Network Switches - \$275,000.

Ms. Connors highlighted estimated project cost increases in FYE 2018 as follows:

- Fire Station No. Seven Remodel \$ 30,000
- 12th Avenue and High Meadows Signal \$100,000
- 12th Avenue S.E. and Triad Village Signal \$ 16,252
- 24th Avenue N.W. and Tee Drive Intersection \$ 25,000
- 36th Avenue N.W. and Tecumseh Road \$ 50,000
- Flood Avenue and Ventura Drive Signal \$ 10,000
- Flood Avenue Sidewalks \$ 20,000
- Legacy Trail Multi-Modal Path Extension \$178,000
- State Highway 77 and Post Oak Signal \$ 20,000
- Debris Management Plan \$ 35,000

Ms. Connors said the FYE 2017 Sidewalk Capital Program City funding portion is \$1,898,671 with total matching funds in the amount of \$2,635,000 and FYE 2018 City funding portion is \$1,306,000 with total matching funds in the amount of \$3,194,000. Councilmember Allison asked if this program repairs cracks or uneven sidewalks and Mr. Shawn O'Leary, Director of Public Works, said yes, this program eliminates hazards.

Ms. Connors said new projects proposed for funding in FYE 2018 include the following:

- Lindsey Street Interchange Landscaping \$ 85,000
- Lindsey Street Wayfinding \$ 40,000
- City Data Center Air Conditioning Replacement \$160,000
- Whittier/Irving Recreation Center Exterior Paint/Door Replacement \$ 60,000
- State Highway 9 Multi-Modal Path, Phase 3 \$ 80,000
- Constitution Street Multi-Modal Path \$ 70,000
- McGee Drive Sidewalks \$ 30,000
- Sidewalk Horizontal Saw Cut Program \$ 40,000
- 36th Avenue N.W.: Bart Connor to Cascade Signal Interconnect \$ 60,000
- Vineyard Addition Drainage Design \$ 30,000

Ms. Connors said discussion from the last meeting included setting aside funds for a Senior Center, carport and kennel shade for the Animal Welfare adoption trailer, Norman Investigation Center (NIC) safety improvements, and sidewalks.

Mayor Miller said the budget is ongoing and changes all the time because it is a working, living, breathing document. She said sometimes there is the misunderstanding that the document represents Staff's wants and needs, but the document really represents years of requests that come via Councilmembers, Staff, and citizens. She encouraged everyone to be mindful that all the budget items came to Council due to observable needs from various sources.

Councilmember Holman said the Constitution Avenue Multi-Modal Path is a big need in Ward 7 and he requested the project because of lack of sidewalks in the high traffic area. Mr. O'Leary said the City has a very large, robust sidewalk program and Staff will prepare a grant application in the amount of \$600,000 to build a multi-modal path with the City's share being \$70,000. Councilmember Holman asked if that would include ten foot sidewalks on both sides of the street and Mr. Angelo Lombardo, Traffic Engineer, said only one side of the street is presented in the Comprehensive Transportation Plan (CTP). Councilmember Holman said from a pedestrian and bicyclist standpoint this project is a priority so he is excited to see this project in the budget.

Councilmember Clark said she has asked about installing a signal at 12th Avenue and High Meadows where Eisenhower School is located and was told the street was a State Highway and the responsibility of the State. She asked what the budgeted amount for that project entailed and Mr. Lombardo said the City has been talking with the Oklahoma Department of Transportation (ODOT) for several years regarding a signal at this location and they are considering funding this project; however, they would like the City to contribute more than their standard 20% federal funds match. He said the \$100,000 being proposed is the overmatch funds for the project. Councilmember Clark said there is no turn lane or signal to the school making it very difficult to get in and out of the school property and she receives numerous complaints from Ward 6 constituents.

Councilmember Heiple asked Staff to explain why there is no traffic signal at the intersection of Alameda Street and 36th Avenue N.E. where the new east branch library is being constructed. Mr. Lombardo the City is tracking approximately 30 intersections citywide where the traffic volumes are not currently triggering the need for a traffic signal, but will meet that volume at some point in the future. Councilmember Heiple asked if Staff anticipated east branch library traffic meeting that volume trigger and Mr. Lombardo said yes.

Councilmember Castleberry asked Staff to elaborate on the Vineyard Addition Drainage Design Project and Mr. O'Leary said the Vineyard Addition has experienced some critical flooding issues causing property damage. After the heavy rains in 2015, the City assisted the Vineyard Addition with a conceptual review of why flooding was taking place and learned the existing detention basin in the subdivision is undersized and needs to be expanded. The Vineyard Addition Drainage Design Project provides engineering design services for plans and specifications for a larger drainage basin. He said construction will be paid by the Vineyard Addition or a Stormwater Utility Fee (SWU) or some other source of funding. The City is not proposing to pay for the improvements, just design services. Councilmember Castleberry asked if the drainage basin is on private property and Mr. O'Leary said it is in a public drainage easement that is unique because it is on one lot as opposed to in a common area. He said there are some very mature trees that will have to be removed to construct a new basin and the owner is not happy about that, but the design will help the City decide how many of those trees need to be removed or provide an alternative to removing the trees. Councilmember Clark said this project has to happen to alleviate flooding and it is worth noting that the subdivision plan that set up the detention basin was approved by the City. The least the City can do is make sure it is on the right path to helping solve

the problem. Councilmember Heiple said this is a public safety issue and \$30,000 is very appropriate for solving the problem.

Councilmember Castleberry said the citizens of Norman would love a break from road construction. He understands there are federal grant projects that expedite multiple construction projects, but are there any discretionary projects the City can put off that will not cause the City to lose federal or bond funding? He would like to give citizens a break from road construction projects for one year. Mr. O'Leary said if that is a directive from Council, Staff will be happy to do that; however, some of the projects are utility projects, not road projects. There are also private utility companies working in Norman that require lane closures. Councilmember Castleberry said it is also frustrating to citizens when orange cones are put up and no work is being done in the area. Mr. O'Leary said he understands the frustration, but some work is performed by private contractors who are given a time frame to complete projects and if they meet that contractual obligation, the City cannot force them to work.

Councilmember Hickman agreed with Councilmember Castleberry that if there are discretionary road construction projects, he would like to delay those. He said Main Street and Lindsey Street are currently experiencing construction and these are major east/west thoroughfares in Norman. One thing he would like to have discussion on is multi-modal paths in Ward 4 because Core Norman is supposed to be a walkable, bike able area.

Councilmember Hickman said the Porter Avenue and Acres Street intersection is a very important intersection and the City should begin to make plans for the intersection because the Central Library is being constructed at the corner of Acres Street and Daws Avenue. He said Porter Avenue and Acres Street will become much busier when the library opens. Currently, children cross that street to get to the school, which is unsafe since there is only a flashing crosswalk for them to do that. If the City can come up with the money he would like to put that towards addressing that intersection.

Councilmember Hickman said he would like to see any extra money spent on addressing Bishop Creek and Imhoff Creek flooding issues. He is sympathetic to all areas of Norman experiencing stormwater problems, but constituents in his Ward have property damage from flooding as well. Mr. O'Leary said the City has budgeted \$200,000 in FYE 2017 for a capital project at Bishop Creek. Mayor Miller said it will cost hundreds of thousands of dollars to address Bishop and Imhoff Creek issues. She said Council will be discussing stormwater next week and preparing a SWU plan that will be acceptable to the public.

Mayor Miller said the Greenbelt Acquisition Funds may or may not be used and if the City eliminates \$50,000 in FYE 2018, she would like to see the fund balance remain. If the City gets a chance to purchase a conservation easement, that money will be needed to match federal funding. She said the City also uses the money to purchase property that is flooding or property that should not be developed due to flooding issues.

Councilmember Chappel said all the projects being discussed are important and there are always good arguments for keeping projects proposed for elimination.

Councilmember Allison said there are a number of postponed projects that will impact City facilities such as carpet, painting, security, etc. Is Staff comfortable with postponing these projects? Mr. Steve Lewis, City Manager, said the City does not want to get behind on facility maintenance, but should be alright for another year or two without the projects; however, he would not want to go beyond that. Councilmember Allison agreed he would not like to get behind on facility maintenance issues because the main City Hall buildings get a lot of public traffic and use. He said there are

safety concerns with the Administration Building that should be addressed, especially if it continues to be the main meeting place for Council.

Ms. Brenda Hall, City Clerk, said the money being eliminated in FYE 2018 for painting is similar to the Greenbelt Acquisition Fund in that it will be funded again in FYE 2019. She said this is a program implemented citywide because there was no program for routine painting or carpet/tile replacement maintenance. Mayor Miller agreed that a program is needed for City facilities because not too many years ago people were complaining about the deterioration of some City facilities. She said the City needs to maintain its facilities because many of them do get a lot of public traffic causing wear and tear.

Councilmember Hickman said there are four capital projects recommended for the Animal Welfare Facility (AWF) that includes kennel shades, trailer canopy (to protect kennel trailer purchased with donation funds), and kennel pen improvements that were eliminated during the construction of the new facility due to cost overruns. He said there is also a request for an upgrade to the telephone system software because the AWF receives an average of one hundred calls per day. He said numerous people complain that no one answers the phone when they call and an upgrade could provide a more robust phone system for incoming calls. These are direct line items for a total of \$30,000 related to customer service, care/treatment of animals, or protection of assets. Mr. Lewis said he and Deputy Police Chief Jim Maisano have reviewed the AWF donation account and there may be enough resources in that account to pay for these items. Councilmember Hickman said he did not think it would be appropriate to use donation money to pay for items the City should pay for. It has come to his attention the AWF has been using donation money to pay for basic veterinary and medical related supplies. The City needs to be more cautious of how it uses donated money and the City should fund and Staff the AWF appropriately so donation money can be used for enhancement items that are above and beyond. Mr. Lewis said Staff would not recommend using donation money for ongoing maintenance and operation issues, but did think it would be appropriate to use the money for this expenditure. He said it is Council's purview on how the donations are used. Councilmember Hickman asked if seizure funds could be used for some of the public safety items to free up dollars for Animal Welfare and Mr. Lewis said yes. Councilmember Holman said he would not support using seizure funds to pay for anything.

Councilmember Allison asked if the AWF has an Internet Protocol (IP) Phone System and Mr. Tim Powers, Director of Information Technology (IT) said yes, but they do not have the ICCS technology license to manage the phone system. Mr. Rob Gruver, Network Support Supervisor, said the ICCS technology allows a person to go through cues and hold until the phone can be picked up and the City only paid for licenses to be used at the Police Department and Utilities Customer Service. He said the added cost would increase the license count for the number of users needed.

Mayor Miller said Council is cutting a lot of projects and postponing a lot of projects so if seizure funds could be used by the Police Department for other things, such as the NIC items, then Council should consider that as a funding option for the items. Councilmembers Heiple, Clark, and Castleberry concurred.

Councilmember Castleberry expects to have stronger revenues and a SWU within the next two years so many of these projects can be done within the next two years. He said he is not too concerned about postponing some of the items since it is a temporary action.

Councilmember Allison asked what safety improvement projects are being proposed at the NIC and would the City be freeing up funds by using seizure funds? Ms. Connors said NIC put in a request for new projects and there was discussion regarding seizure funds for the projects to get them done more quickly. Deputy Chief Maisano said NIC wants to improve the outside lighting of the building to make it more secure. They want to improve the security gate and install an automatic gate to the back lot to secure that area of the building. There are some external entry doors that do not shut properly and Facility Maintenance said the doors need to be replaced. There are also some general security upgrades for the entire building.

Ms. Connors asked if there is agreement among Council with what Staff has proposed tonight and Councilmembers said yes.

Councilmember Castleberry said he was in favor of setting aside \$250,000 for a stand-alone Senior Center in Andrews Park; however, that is only if there are no environmental issues since there are some storage tanks in the park. Councilmember Hickman asked if some of the money could be used to hire a consultant, if over the course of the year, Council decides to dig into some of the site discussions. Mr. Lewis said it is important for Council to have a meeting of the minds and, if desired, Council could designate the funds to a Senior Center Feasibility Design and Construction. Councilmember Castleberry felt a large portion of the funding should come from Norman Forward so any money spent out of the Capital Fund could get reimbursed by Norman Forward, correct? Mr. Lewis said Staff would like some time to follow up on that question.

Councilmember Allison asked the final amount available for new capital projects and Ms. Connors said \$1,113,643.

Items submitted for the record

1. PowerPoint presentation entitled, "Capital Fund 50, FYE 2017 Capital Budget, FYE 2018-2021 Plan"
2. Capital Fund 50 Accounts dated February 19, 2017

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The meeting adjourned at 6:52 p.m.

ATTEST:

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City Clerk

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Mayor