

COUNCIL CONFERENCE MINUTES

July 10, 2012

The City Council of the City of Norman, Cleveland County, State of Oklahoma, met in a conference at 5:30 p.m. in the Municipal Building Conference Room on the 10th day of July, 2012, 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 Ezzell, Gallagher, Griffith, Jungman, Kovach, Lockett, Spaulding, Williams, Mayor Rosenthal

ABSENT: None

Item 1, being:

DISCUSSION REGARDING CHANGE ORDER NO. THREE TO CONTRACT NO. K-1011-2 WITH URBAN CONTRACTORS, L.L.C., INCREASING THE CONTRACT AMOUNT BY \$44,784.50 FOR THE FYE 2010 SEWER MAINTENANCE PROJECT AND FINAL ACCEPTANCE OF THE PROJECT.

In 2001, the citizens of Norman approved a five dollar per month sewer maintenance fee for the systematic replacement of aged and deteriorated sewer lines throughout the City's wastewater collection system. The Norman Utilities Authority (NUA) approved K-1011-2 with Urban Contractors, L.L.C., on July 13, 2010, in the amount of \$1,570,100, and funding from the Sewer Maintenance Project FYE 2010 (SMP10) (WW0055).

The NUA approved Change Order No. 1 in the amount of \$69,250 on June 14, 2011, to fund approximately 1,100 linear feet (LF) of improvements along Red Oaks Drive and on October 11, 2011, the NUA approved Change Order No. 2 in the amount of \$63,150 to fund approximately 700 LF of sewer replacement along Berry Road.

Construction began in September 2010 and was completed on June 8, 2012. During construction, the Sewer Line Maintenance Division requested assistance for sewer system defects not in the project area, consisting of approximately:

1. 5,400 feet in multiple locations in Hall Park;
2. More than 250 feet north of Melrose Drive between Garrison and Mercedes;
3. About 400 feet along both 12th Avenue N.E. and Sequoyah Trail;
4. Almost 700 feet along Tecumseh Road west of Flood Avenue; and
5. About 740 feet along Parkland Way south of Westwood Park

The cumulative increase in change orders for the project is \$177,184.50 or about 11% over the original contract amount of \$1,570,000, which is largely due to the replacement of an eight-inch pipe.

Mr. Charlie Thomas, Capital Projects Engineer, said all project improvements are satisfactory and as-built plans are in hand. He said this project replaced approximately 30,325 feet of sewer line, twenty (20) manholes, and over 510 service connections.

Council adopted Resolution No. R-1112-55 on November 8, 2011, delegating administrative authority to the City Manager or his designee, at his discretion, to approve change order requests that result in adjustments up to forty thousand dollars (40,000) or 10% of any contract, whichever is less. Since Change Order No. 3 to Contract No. K-1112-2 is 44,784.50, Council approval is needed.

Item 1, continued:

Items submitted for the record

1. Text File No. K-1011-2 dated June 25, 2012
2. Change Order No. Three to Contract No. K-1011-2, with Attachment 1, FYE 2009 Sewer Maintenance Project – Final Reconciliation

Item 2, being:

DISCUSSION REGARDING THE CREATION OF THE NORMAN ECONOMIC DEVELOPMENT ADVISORY BOARD.

The creation of the Norman Economic Development Authority (NEDA) was approved by Council on June 12, 2012, after a series of meetings with the Business and Community Affairs (BACA) Committee as well as the full Council. BACA identified the creation of a public trust authority to facilitate potential economic development incentives as a priority in August 2011, and also by Council at its Planning Retreat in September 2011.

Ms. Kathryn Walker, Assistant City Attorney, said Staff presented a draft ordinance creating the Norman Economic Development Advisory Board to the BACA Committee on July 5, 2012. She said the draft ordinance would create the Economic Development Advisory Board (EDAB) as an appointive board to the City consisting of seven (7) members nominated and appointed by City Council. At least four (4) of the board members must possess suitable and appropriate knowledge and/or experience in the areas of economics, business, finance, law, policy analysis, and community development. The Norman Economic Development Coalition (NEDC) Executive Director or his or her designee will also serve in ex-officio capacity to ensure adequate collaboration and communication with NEDC about particular projects or policies affecting NEDC's operation. As with other City Boards and Commissions, any Board member could be removed by a majority vote of Council. Ms. Walker said EDAB would elect its own Chairperson and Vice Chairperson and will not be authorized to expend any City funds except as may be authorized and appropriated by City Council.

Ms. Walker said EDAB would make recommendations to Council regarding proposed economic development policies and programs; make recommendations to Council regarding requests for City funded incentives for private businesses as proposed by NEDC; aid Council in developing strategies and plans for promoting economic development in the City of Norman; investigate and report on economic development issues as assigned by Council; serve as a forum for economic development policy discussion and education; and assist in identifying assets, resources, and incentives appropriate for furthering economic development within the City of Norman. The Board must follow the Open Meeting Act and must have at least four members present to take any action.

Ms. Walker said with Council's approval, the draft ordinance will go forward for adoption and the appointment process can begin. She said economic development incentive thresholds need to be formulated and asked whether or not those thresholds should be developed by Staff or EDAB.

Councilmember Kovach asked what would happen if a EDAB member had a financial stake in a proposed project and Ms. Walker said they would be required to follow the Norman Ethics Policy, so in that situation, the conflict would have to be disclosed and in certain situations they would have to step away from the table and not vote or participate in discussion.

Item 2, continued:

Mayor Rosenthal said, generally, a person can only serve on one statutorily created board at a time, but there is exception language in the draft ordinance that states members of EDAB shall not be disqualified from service on EDAB due to service on other City of Norman Boards or Commissions. Councilmember Kovach said that exception was placed in the ordinance because BACA felt EDAB would only meet on an as needed basis and he is comfortable there would be no conflict with someone serving on another Board as well as EDAB. Councilmember Jungman said the Reapportionment Commission does not meet often and there is no exception for their members and Mr. Jeff Bryant, City Attorney, said the Reapportionment Commission is designated by Charter so it is harder to change language. Councilmember Spaulding said he did not have a problem with the exception language. Councilmember Williams asked if the language was placed in the draft ordinance just because EDAB would not meet often and Councilmember Kovach said it was partially due to the specific criteria of Board members. Mr. Bryant said discussion behind the language included allowing broader citizen involvement and recruiting members that fit criteria even though they are currently serving on a Board/Commission. Councilmember Ezzell said he supports the exception language for those reasons because EDAB may never meet if the City does not get a project that involves NEDA participation.

Mayor Rosenthal said Staff is requesting guidance on the development of economic incentive thresholds and asked if Staff or EDAB should develop policy recommendations. Councilmember Griffith asked if incentive thresholds could vary based on the project proposed and Ms. Walker said yes. Councilmember Griffith said as projects are brought forward, incentives could be discussed as there might be options to incentivize whether the project moves forward. Councilmember Ezzell said he would like maximum flexibility; however, Council should define minimum criteria thresholds so EDAB will not waste their time if the project is below a particular threshold. He said the State Quality Jobs Act Program requires minimum salary, wage, or benefit requirements and it is Council's position to say whether or not they believe the State's Quality Jobs Act threshold may be too low for the City to use as their threshold. Mayor Rosenthal agreed this should be a policy decision by Council. She said there are other issues that need to be taken into consideration such as infrastructure impact. She was concerned that with the absence of that guidance, EDAB could go into a direction not embraced by Council. Councilmember Kovach agreed with Councilmember Ezzell and Mayor Rosenthal. Councilmember Gallagher felt the City's threshold should closely relate with NEDC's in order to avoid conflict with NEDC. Councilmember Ezzell said establishing a threshold for City incentives should not be construed as working against NEDC, but just as a threshold to decide when the City would participate.

Councilmember Kovach said Council has not set thresholds for jobs in the University North Park Tax Increment District (UNPTIF) so Council could discuss that and consider having the same threshold for both. Mr. Bryant said there is general language in the UNPTIF that echoes the State Quality Jobs Act threshold; however, Council can set a higher threshold. Councilmember Jungman asked the amount of the State threshold and Mr. Anthony Francisco, Finance Director, said he believed it was an average wage of \$35,000. Councilmember Jungman said a family of four with an average income of less than \$49,000 can qualify for low income housing assistance through Housing and Urban Development (HUD) and he is concerned that Council not incentivize jobs that are eligible for federal housing benefits. Mayor Rosenthal agreed this is an important consideration and more information is needed.

Councilmember Ezzell said tonight's discussion is whether or not to move forward with the ordinance creating EDAB. Mayor Rosenthal said she thought BACA had desired to have goals and thresholds articulated in the ordinance. She felt there is no urgency to move forward with the ordinance at this time without those.

Item 2, continued:

Councilmember Kovach asked how long Staff needed for research and Mr. Steve Lewis, City Manager, said Staff could have information to present to Council in August. He said it could take two or three meetings to work through a comprehensive policy. Councilmember Ezzell asked if that meant the information would be ready for BACA for their scheduled meeting of August 1st or at Council Conference or Study Session. Mr. Lewis said it would be Council's purview as to which meeting they would want the information presented. Councilmember Kovach suggested the topic continue to be discussed by BACA with recommendations to Council and Councilmembers concurred.

Items submitted for the record

1. Memorandum dated July 5, 2012, from Ms. Kathryn Walker, Assistant City Attorney, through Mr. Jeff Bryant, City Attorney, to Honorable Mayor and Council Members
2. Draft Ordinance amending Article I, Sections 4-101 and 4-105; and adding Article XXII, Sections 4-2201 through 4-2204 of Chapter 4 of the Code of the City of Norman to Provide for the Creation of the Economic Development Advisory Board
3. PowerPoint presentation entitled, "Economic Development Advisory Board," Council Conference, July 10, 2012

The meeting adjourned at 6:15 p.m.

ATTEST:

City Clerk

Mayor