



City of Norman, OK

Municipal Building Council
Chambers
201 West Gray Street
Norman, OK 73069

Master

File Number: R-1314-15

File ID: R-1314-15

Type: Resolution

Status: Non-Consent Items

Version: 1

Reference:

In Control: City Council

Department: Public Works
Department

Cost:

File Created: 07/25/2013

File Name: Final Cost-Rock Creek Rd Recoupment Project

Final Action:

Title: RESOLUTION NO. R-1314-15: A RESOLUTION OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA, ADOPTING AND CONFIRMING FINAL COSTS ASSOCIATED WITH IMPROVEMENTS ON ROCK CREEK ROAD, AN ARTERIAL ROAD, FROM BETWEEN PORTER AVENUE TO ONE-HALF MILE EAST OF 12TH AVENUE N.E., AND AUTHORIZING THE DIRECTOR OF PUBLIC WORKS TO RELEASE PROPERTIES AS ASSESSMENTS ARE PAID.

Notes: ACTION NEEDED: Motion to adopt or reject Resolution No. R-1314-15.

ACTION TAKEN: _____

Agenda Date: 11/26/2013

Agenda Number:

Attachments: R-1314-15.pdf, Rock Creek Recoupment List
(11-19-13).pdf, Rock Creek Recoupment Map
(11-09-2006).pdf

Project Manager: Josh Malwick, Capital Projects Engineer

Entered by: pam.jones@normanok.gov

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
---------------	--------------	-------	---------	----------	-----------	-----------------	---------

Text of Legislative File R-1314-15

body

BACKGROUND: On November 14, 2006, Council adopted Resolution No. R-0607-40 declaring a Recoupment District for the Rock Creek Road Widening Project. Then, on September 22, 2009, City Council adopted Resolution No. R-0910-51 and approved Contract No. K-0910-70 for the construction of the Rock Creek Road Widening Project. Construction began on the Rock Creek Road Widening Project in January 2010 and it was completed in January 2011. City Council adopted the Recoupment Ordinance on February 11, 1997.

The project provided for the widening of Rock Creek Road from two lanes to four lanes between Porter Avenue and Queenston Avenue. A grant of federal transportation funds provided by the Oklahoma Department of Transportation (ODOT) and the Association of Central Oklahoma Governments (ACOG) paid for 80 percent of the construction costs on the project. The City's share of the project paid for land acquisition, utility relocation, design services and 20 percent of the construction costs.

DISCUSSION: Rock Creek Road Widening Project was one of the 2005 Bond Projects. The project was completed using only Bond Funds. The Rock Creek Road Recoupment District included ten unplatted parcels. Seven property owners donated the necessary right-of-way while three of the property owners chose to accept funds for the right-of-way. Under the Recoupment Ordinance, Ordinance No. 0-9697-31, if a construction project is funded by General Obligation Bond funds, only right-of-way costs can be recouped and charged back specifically to the property attributable to the cost. See Attachment A.

Since the actual cost cannot be known until the project has been completed, the process requires two (2) resolutions. The first resolution, R-0607-40, put the property owners and the title companies on notice that a recoupment against the property may be made. The second resolution establishes the beginning amount of the recoupment, which is the actual cost less any non-recoupable expenses plus a 2% administration fee. An inflation/deflation adjustment is also applied. The yearly inflation adjustment percentage calculated per Section 16-603 (d) (3) of the City Ordinance for this recoupment project is 4.13% and will be applied to the cost until funds are paid back or the obligation expires. The obligation will continue for twenty years. If the property is not developed after the 15th year the obligation is reduced by 20%; reduced an additional 20% after the 16th year; reduced an additional 20% after the 17th year; reduced an additional 20% after the 18th year; and finally reduced an additional 20% after the 19th year.

The right-of-way acquisition and utility relocation activities are complete. On January 2, 2012, the City paid the final construction invoice from the Oklahoma Department of Transportation (ODOT) so the final recoupment costs can now be determined. The affected property owners are not required to pay their recoupment amount until they proceed with the development of their property. Since the application of the inflation factor depends on when the property owner pays their recoupment cost, this cost is calculated when they plat their property. The cost specific to each parcel is shown in Attachment A.

RECOMMENDATION: Staff recommends approval of Resolution No R-1314-15.