

CITY COUNCIL STUDY SESSION MINUTES

May 2, 2017

The City Council of the City of Norman, Cleveland County, State of Oklahoma, met in a study session at 5:30 p.m. in the Municipal Building Conference Room on the 2nd day of May, 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, Hickman, Karjala, Mayor Miller

ABSENT: Councilmembers Heiple and Holman

Item 1, being:

PRESENTATION AND DISCUSSION REGARDING THE CITY OF NORMAN FYE 2018 BUDGET – CAPITAL FUND AND THE FIVE YEAR CAPITAL IMPROVEMENTS FINANCIAL PLAN FOR FYE 2019-2022.

Ms. Susan Connors, Director of Planning and Community Development, said tonight Council will review the proposed Capital Budget for FYE 2018. She provided an overview of the FYE 2018 budget meeting schedule:

- November 15, 2016 - Council Budget Work Session regarding status of FYE 2017 budgeted projects and Council priorities
- February 28, 2017 - proposed new projects;
- March 9, 2017 - Finance Committee reviewed budget;
- March 30, 2017 – continued discussion on proposed new projects;
- May 2, 2017 – review of final proposed plan for FYE 2018; and
- May 23, 2017 – public hearing is scheduled.
- June 13, 2017 - FYE 2018 Budget proposed to be adopted by Council

Ms. Connors highlighted funds involved in the Capital Improvement Project (CIP) Budget as follows:

- 15 Public Safety Sales Tax (PSST)
- 21 Community Development Block Grant (CDBG)
- 22 Special Revenue
- 23 Room Tax
- 31 Water
- 32 Water Reclamation
- 33 Sanitation
- 321 Sewer Maintenance
- 322 New Development Excise Tax
- 50 Capital
- 51 Norman Forward Sales Tax (NFST)
- 52 Park Land and Development
- 57 University North Park Tax Increment Finance (UNPTIF) District
- 78 Arterial Road Recoupment

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Ms. Connors highlighted FYE 2018 Capital Budget Revenues as:

User Fees - \$6,757,609	PSST - \$695,000
Capital Improvement Charge (CIC) - \$2,074,391	NFST - \$2,040,000
Sewer Maintenance Charge - \$4,300,000	Room Tax - \$365,000
Capital Sales Tax - \$13,190,420	Bonds - \$38,309,358
Tax Increment Finance District - \$624,983	Grants - \$25,000
TOTAL REVENUES	\$68,381,761

Ms. Connors said FYE 2018 Capital Budget expenditures include:

Capital Outlay - \$4,072,864;
Maintenance of Existing Facilities - \$591,750;
Personnel and Services - \$1,509,797;
Street Maintenance - \$7,588,698;
Transportation - \$6,675,652;
Buildings and Grounds - \$2,730,000;
Parks and Recreation - \$20,785,000;
Sanitation - \$0.00;
Stormwater - \$660,000;
Water Reclamation - \$4,954,000; and
Water - \$18,814,000

Total Expenditures: \$68,381,761.

Ms. Connors said Council previously discussed Enterprise Funds that include the Water Fund (32); Water Reclamation Fund (32); Sanitation Fund (33); Sewer Maintenance Fund (321); and New Development Excise Tax Fund (322).

There are no projects proposed in FYE 2018 for the Park Land and Arterial Road Recoupment Funds. Two projects proposed in FYE 2018 for the PSST Fund include fire apparatus replacement, \$625,000, and fire apparatus storage facility, \$70,000.

Councilmember Hickman asked if Park Land Funds are an option for financing the Bishop Creek Restoration Project and Mr. Jud Foster, Director of Parks and Recreation, said the Park Land Fund is one option and there may be some funding available. Councilmember Hickman said there has been discussion about the City contributing \$25,000 in conjunction with University of Oklahoma (OU) and Norman Public Schools (NPS) District funding. Mr. Foster felt Capital Fund 50 may be more appropriate than the Park Land Fund 52.

Councilmember Castleberry asked for more information about the Bishop Creek Restoration Project and Councilmember Hickman said it will be a type of pilot project in coordination with NPS and OU to construct a butterfly pollinator garden; plant native plants to minimize bank erosion and maximize bank stabilization; and create an environmental area for students to maintain and study. The overall plan is to stabilize the banks and improve stormwater runoff from Eastwood Park into Bishop Creek by filtering stormwater through native plants. Mayor Miller said there has been a lot of discussion regarding the Bishop Creek Restoration Project but it had not been discussed in the budget meetings.

Ms. Connors said the Community Development Block Grant (CDBG) Fund (21) includes three new projects to be considered as amendments to the FYE 2018 Preliminary Budget as follows:

- CDBG Land Acquisition \$127,500
- Acres Street: Findlay Avenue to Stewart Street Reconstruction \$ 60,000
- CDBG Alley Improvements \$ 12,500
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Mayor Miller asked Ms. Connors to explain what the land acquisition piece entailed and Ms. Connors said the City is expecting to receive proposals from three agencies to build low-income housing and the City will fund the land purchase for that housing. The City will not own the land or housing, but the City will assist in funding the purchase of the land through these agencies.

Ms. Connors said the Firehouse Art Center Addition Project in the amount of \$25,000 is budgeted in the Special Grants and Revenue Project Fund (22) and is a match to Room Tax Funds. This project will build an addition to the Firehouse Art Center with the first year of funding being used to hire a design firm to prepare construction documents for the project. Major improvements with the addition includes adding restrooms to the downstairs space, increasing office space, increasing gallery space, and adding classroom space.

Five projects are proposed for the Room Tax Fund (23) that include:

1. 12th Avenue Recreation Center Playground - \$95,000;
2. Bicycle Skills Park (first year) - \$20,000;
3. Firehouse Art Center Addition (match) - \$25,000;
4. Historic Museum Parking Lot - \$75,000; and
5. Sooner Theatre Seat Replacement and Interiors - \$150,000.

Eight projects are proposed for the Norman Forward Sales Tax Fund (51) that include:

1. Andrews Park Development (first year) - \$1,200,000;
2. Griffin Park Remodel (second year) - \$5,000,000;
3. Indoor Aquatic Facility (second year) - \$3,000,000;
4. Indoor Sports Facility (second year) - \$1,500,000;
5. James Garner Boulevard: Acres Street to Flood Avenue (second year) - \$862,500;
6. James Garner Boulevard/Acres Street Intersection (second year) - \$2,138,400;
7. New Community Sports Park Development (second year) - \$1,700,000; and
8. Reaves Park Remodel (second year) - \$6,200,000.

Four additional Norman Forward Sales Tax Fund (51) projects proposed with PayGo funding include Neighborhood Park Improvements (second year) - \$250,000; New Neighborhood Park Development (first year) - \$300,000; Public Arts Projects (second year) - \$290,000; and Ruby Grant Park Development (first year) - \$1,200,000.

Councilmember Castleberry asked about Ruby Grant Park development phasing timeline and Mr. Foster said the first phase will be creating detailed construction documents then construction would be phased over the next two to three years. Councilmember Castleberry asked when the City will start moving dirt and Mr. Foster said in approximately two years.

Councilmember Hickman said there are CDBG funds being budgeted for reconstruction of Acres Street: Findlay Avenue to Stewart Avenue, and asked if Acres Street: Porter Avenue to Flood Avenue, could be constructed using some of the same funds. He asked how the Acres Street: Findlay Avenue to Stewart Avenue, was chosen and Mr. Shawn O’Leary, Director of Public Works, said that is a CDBG neighborhood, but the other portions of Acres Avenue have not been identified for improvements. Ms. Connors said the CDBG Policy Committee identifies the projects for funding in any CDBG year and then those projects come forward to Council. Mr. Steve Lewis, City Manager, said CDBG funds have to be used in neighborhoods that are qualified low and moderate income neighborhoods. Ms. Connors said she did not think the areas Councilmember Hickman is talking about would qualify as CDBG low and moderate income. Mr. O’Leary said Staff will be reviewing the streets around the Central Library site that could be used as access and make improvements to those streets, such as University Boulevard, but nothing is planned on Acres Street at this time. He said there will be more discussion of infrastructure improvements around the Central Library once it has been designed and Staff has a better idea of what will be needed for the area.

Ms. Connors said the preliminary estimate for the Robinson Street Interchange at I-35 came in higher than expected and there are not enough funds available in the University North Park Tax Increment District Fund (57); therefore, additional funding will be needed from the Capital Fund and Federal Funds. This project improves the west side of Robinson Street Interchange at I-35.

Ms. Connors recapped the FYE 2018 Budget for Capital Fund 50 as estimated carryover revenue - \$16,719,999; estimated new revenue - \$12,619,125; proposed expenditures - \$19,004,878; general contingency reserve - \$872,839; other revenues - \$8,441,981; and estimated available for new projects - \$1,019,426.

Ms. Connors said FYE 2018 Capital Budget expenditures for Capital Fund 50 include Capital Outlay - \$3,447,864; Maintenance of Existing Facilities - \$360,750; Personnel and Services - \$1,509,797; Street Maintenance - \$7,588,698; Transportation - \$2,942,769; Buildings and Grounds - \$2,465,000; Parks and Recreation - \$30,000; and Stormwater - \$660,000. Total FYE 2018 Capital Fund 50 expenditures are \$19,004,878.

Final Capital Fund 50 City Council recommendations for FYE 2018 are as follows:

• Additional Reserve for Senior Center	\$250,000
• Kennel Shade	\$ 10,000
• Phone Software at Kennel	\$ 10,000
• Kennel Improvements	\$ 5,000
• Kennel Trailer Carport	\$ 5,000
• Lindsey Street Interchange Landscaping	\$ 85,000
• State Highway 9 Multi-Modal Path Phase 3 (match)	\$ 80,000
• Constitution Street Multi-Modal Path (match)	\$ 70,000
• McGee Drive Sidewalks (east side) (match)	\$ 30,000
• Sidewalk Horizontal Saw Cut Program	\$ 40,000
• 36th N.W.: Bart Conner to Cascade Blvd. Signal Interconnect	\$ 60,000
• Lindsey Street Wayfinding	\$ 40,000
• Vineyard Detention Pond Drainage Improvements	\$ 30,000
• City Data Center Air Conditioning Replacement	\$160,000
• Whittier and Irving Exterior Paint and Door Replacement	<u>\$ 60,000</u>
TOTAL	\$935,000

Councilmember Castleberry said if the City is successful in creating a Stormwater Utility (SWU), can the Capital Fund be reimbursed for the stormwater improvements being proposed in this budget? Mr. Connors said if the funds have not been expended, they could probably be paid out of the SWU Fund and Mr. Jeff Bryant, City Attorney, said it might be more appropriate to reclassify the funds from Capital Fund to the SWU, but the SWU could be reimbursed as long as the project is not tied to a bond issuance. Mayor Miller said even if the SWU election passes, money will not be immediately available to do all the things that need to be done for stormwater issues. Mr. Lewis said the size of the projects will require Council approval so Council will have an opportunity to discuss funding reimbursement at that time.

Councilmember Clark said she has received numerous questions regarding dog park improvements needed at Griffin Park and Mr. Foster said the best option to fund dog park improvements is in the Community Park portion of the Park Land Fund. Mr. Lewis said he has asked the Parks Department to identify a site for an additional dog park in the community because the Griffin Park site is beginning to exceed its capacity. Councilmember Castleberry said there is a dog park in the Ruby Grant Park design. Councilmember Hickman said he would like to see a dog park within the Center City area. Councilmember Allison would like the City to encourage developers to build dog parks within their developments.

Items submitted for the record

1. PowerPoint presentation entitled, "Capital Funds FYE 2018 Capital Budget. FYE 2019-2022 Plan," dated May 2, 2017

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The meeting adjourned at 6:02 p.m.

ATTEST:

City Clerk

Mayor