

CITY COUNCIL CONFERENCE MINUTES

February 25, 2020

The City Council of the City of Norman, Cleveland County, State of Oklahoma, met in a conference at 5:00 p.m. in the Municipal Building Council Chambers on the 25th day of November, 2019, and notice and agenda of the meeting were posted at the Municipal Building at 201 West Gray 48 hours prior to the beginning of the meeting.

PRESENT: Councilmembers Bierman, Hall,
Holman, Petrone, Scanlon, Scott,
Wilson, and Mayor Clark

ABSENT: Councilmember Carter

Item 1, being:

CHANGE ORDER NO. ONE TO CONTRACT K-1920-2 BY AND BETWEEN THE NORMAN UTILITIES AUTHORITY AND H&H PLUMBING & UTILITIES, INC., INCREASING THE CONTRACT AMOUNT BY \$25,303.86 FOR A REVISED CONTRACT AMOUNT OF \$1,444,763.86 AND EXTENDING THE CONTRACT TIME BY 30 CALENDAR DAYS TO INSTALL A REPLACEMENT WATER LINE INTO REAVES PARK AND TO RECTIFY QUANTITIES FOR THE REQUIRED OPEN-CUT CROSSING OF JENKINS AVENUE.

Mr. Ken Komiske, Director of Utilities, said on January 24, 2017, the Norman Utilities Authority (NUA) approved Contract K-1920-2 with Poe and Associates to proceed with survey, design, and construction management services for the Segment D Waterline Project to install a water transmission main from Lindsey Street and Chautauqua Avenue to Highway 9 and Jenkins Avenue. This project would install 4,800 feet of 24-inch waterline along the south side of Timberdell Road and then along the east side of Constitution Avenue. The existing 12-inch ductile iron pipe within Reaves Park will be abandoned and services will be transferred to the new main and future installation along Jenkins Avenue to Highway 9 will be done by a future construction project. Additionally, the recommended portfolio for the 2060 Strategic Water Supply Plan recommended a future non-potable irrigation system from the Water Reclamation Facility (WRF) to irrigate Reaves Park to reduce demand on the water system. This project is also installing 2,000 feet of 16-inch non-potable waterline parallel to the proposed 24-inch potable waterline.

Contract K-1920-2 was awarded to H&H Plumbing & Utilities, Inc., on November 12, 2019, for installation of the 24-inch waterline along the south side of Timberdell Road and along the east side of Constitution Avenue. Change Order No. One will allow the installation of an 8-inch waterline into Reaves Park to replace the existing 8-inch waterline installed in the 1940's to maintain service to the existing Park Maintenance Facility and provide service for the upcoming improvements to Reaves Park. The replacement of this line at this time will eliminate the costs associated with reconnection of the line near Jenkins Avenue and minimize restoration costs associated with the installation of the line by completing the installation prior to the Reaves Park Project. Additionally, this change order will rectify quantities necessary for the open cut installation of the 24-inch waterline across Jenkins Avenue.

Item 1, continued:

Mr. Komiske said based on utility information obtained during the design phase, Jenkins Avenue was proposed to be bored under to minimize the impact to citizens and avoid existing utilities; however, during construction, utility verification completed by the contractor determined the proposed bore would not work and the best option would be to open cut Jenkins Avenue. To minimize impacts to citizens and traffic, prices were negotiated with the contractor and the work was completed in January 2020. This expedited work allowed for the crossing to be completed prior to the majority of University of Oklahoma (OU) students returning to campus and prior to the start of the Spring semester.

Mr. Komiske said the overall cost will increase the contract amount by \$25,303.86 for a revised contract cost of \$1,444,763.86. He said this increase includes amending existing bid item quantities and creating new pay items for new items of work.

Items submitted for the record

1. Text File K-1920-2, Change Order No. One dated February 11, 2020, by Nathan Madenwald, Capital Projects Engineer
2. Change Order No. One to K-1920-2

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Item 2, being:

DISCUSSION REGARDING AN UPDATE ON NORMAN FORWARD PROJECTS.

Mr. Jud Foster, Director of Parks and Recreation, said there are seven major NORMAN FORWARD (NF) Projects underway and most of them are in some phase of design and some are under construction. Each of those major projects have a Council appointed Citizen's Ad-Hoc Committee and those groups meet periodically to review work on the project and provide input to the design team. Each Ad-Hoc Committee met over the last month to review the current budgets, original master plan work, and revised cost estimates for the original work. Each of the Ad-Hoc Committees voted on a formal motion to seek additional funding to fully fund the projects as they were contemplated in 2015. He said Staff has been working with the project manager, ADG, Inc. (ADG), to prepare this presentation for Council's review. He introduced Mr. Jason Cotton, Director of Program Management Services for ADG, who will summarize each project, their available budget, estimated costs, and budget shortfalls. He said a presentation will be made on March 3, 2020, with additional non-NF projects and discussion on potential funding mechanisms.

Mr. Cotton said a cost analysis was prepared and tonight's presentation will include the NF projects original vision, economic impact, current funding, and funding deficits. He said at this point, Council will need to decide whether to adjust the scope of the projects to be less than anticipated or find a way to provide additional funding to accomplish the projects as originally anticipated. He said during NF discussions, it became apparent there were other municipal projects in a similar situation, i.e., Municipal Complex Renovation, Transit Maintenance Facility, Emergency Operations Center, etc., and those discussions will take place next week.

Item 2, continued:

Mr. Cotton said the Ripken Study in 2013, basically identified large scale municipal sporting facilities as a beneficial economic impact in terms of a regional draw. He highlighted NF history that includes the vision of NF established in the summer of 2014; NF passed by voters in October 2015; Ad-Hoc meetings began in January 2016; ADG retained as Program Consultant in February 2016; NF Implementation Plan approved in June 2016; Westwood Aquatics Center opened in May 2018; East Brand Library opened in July 2018; Westwood Tennis Center opened in May 2019; architect/engineer selection for Indoor Multi-Sport Facility, Indoor Aquatic Center, and Senior Center in July 2019; Central Branch Library opened in November 2019; preliminary estimates for Indoor Multi-Sport Facility, Indoor Aquatic Center, and Senior Center received in December 2019; and a Staff meeting was held to discuss funding deficits in January 2020.

Indoor Aquatic Center/Multi-Sport Facility

The original proposal for the Indoor Aquatic Center included competitive and recreational pools for community use and attracting regional tournaments and meets drawing participants and their families throughout Oklahoma and the central United States (U.S.). The Indoor Multi-Sports Facility will provide an air-conditioned space for recreational activities, such as basketball, volleyball, cheerleading, gymnastics, pickleball, and wrestling. The facility will be designed for the attraction of state-wide and regional tournaments, meets, and matches. The combined facilities will be comprised of 152,000 square feet to include a 25-yard by 50-meter pool with six lanes, a 25-yard warmup pool, and eight basketball courts. The Indoor Aquatic Facility is estimated to have a \$2.16 million economic impact with \$165,093 in tax revenue collected, 6,750 room night stays, and 8,960 total visitors. The Multi-Sport Facility is estimated to have a \$16.2 million economic impact with 21,300 hotel room night stays, and 38,600 total visitors. Current funding of \$22.5 million would provide an 87,250 square foot facility to include a 25-meter by 25-yard pool, four lanes, a 25-yard warmup pool, and four basketball courts. He said current estimates for the envisioned facilities would cost \$58.8 million leaving a \$36.3 million deficit.

Senior Wellness Center

The original proposal for the Senior Wellness Center was to construct and equip a Senior Center through renovation of an existing facility or construction of a new free standing facility at a location to be determined by Council after consideration of the desires of citizens who would likely use the facility. The original version of the Senior Wellness Center included 27,200 square feet, a warm water pool, gym/fitness rooms, catering kitchen, multiple rooms for programs, and a running track. Current funding of \$7.6 million would provide an 18,500 square foot facility, a walking track, and a multi-purpose room. Current estimates for the envisioned facility would cost \$12.4 million leaving a \$4.8 million deficit.

Softball and Football Complex

The original proposal for the Softball and Football Complex (companion project to Reaves Park improvements) was to renovate or construct sports complexes in multiple locations that will allow expanded space for youth soccer, youth softball, and adult/ youth football to include lighting, restrooms, concessions, and parking. The original version included state-of-the-art facilities serving Norman residents and attracting regional youth sporting events within a four-hour drive. The complex is estimated to have a \$6.1 million economic impact with \$2.2 million in tax revenue collected, 21,300 room night stays, and 38,600 total visitors. Current funding of \$2.5 million would provide one softball field, one football field, a restroom, a concession building, and parking for participants and spectators. Current estimates for the envisioned facility would cost \$11.5 million leaving a \$9 million deficit.

Ruby Grant Park

The original proposal for Ruby Grant Park was to develop Phase I of the Ruby Grant Master Plan with utility infrastructure improvements, signage, parking, trails, practice fields, pavilion, and pedestrian lighting. The original version included parking facilities; picnic pavilion; restroom facilities; Ruby Grant Memorial; inclusive playground and exercise course; dog park; multi-purpose trails; cross country track; disc golf course; and practice fields. Current funding of \$6 million would require the removal of concrete paving for multi-use trails; park monument signage; fencing at parking lots; site lighting; trails; dog park; inclusive playground; tree planting, irrigation, and sodding; cross country track; and practice field sodding. Current estimates for the envisioned facility would cost \$8.1 million leaving a \$2.1 million deficit.

Griffin Park

The original proposal for Griffin Park was to renovate or construct sports complexes in multiple locations that will allow expanded space for new outdoor soccer fields with lighting, an indoor soccer facility, restrooms, concessions, and other site amenities. The original version included state-of-the-art facilities serving Norman residents and attracting regional youth sporting events within a four-hour drive. The project is estimated to have a \$42.9 million economic impact with \$5.9 million in tax revenue collected, 39,500 room night stays, and 67,000 total visitors. Current funding of \$11 million would provide levelling and refurbishing of existing fields, field lighting, and restrooms with removal of the indoor facility, parking improvements, and additional field lighting. Current estimates for the envisioned facility would cost \$32.4 million leaving a \$21.4 million deficit.

Reaves Park

The original proposal for Reaves Park was to expand space for youth baseball/softball fields with lighting, restrooms, concessions, and additional parking. The original version included state-of-the-art facilities serving Norman residents and attracting regional youth sporting events within a four-hour drive. The project is estimated to have a \$6.1 million economic impact with \$2.2 million in tax revenue collected, 21,300 room night stays, and 38,600 total visitors.

Item 2, continued:

Reaves Park, continued:

Current funding of \$8 million would provide a new drive and a portion of the originally proposed parking, renovation of ten existing fields, and construction of four new fields. Additional funding would provide four new softball fields for eight to 16 year olds, two new baseball fields for 13 to 14 year olds, four new baseball fields for nine to 12 year olds, four new baseball fields for five to eight year olds for a total of 14 new fields. Current estimates for the envisioned facility would cost \$15.3 million leaving a \$7.3 million deficit.

Parks Maintenance Facility

The original proposal for the Parks Maintenance Facility was to relocate the facility from Reaves Park to the City Maintenance Complex (North Base location) and expand Reaves Park for expansion of baseball and softball fields in Reaves Park. Current funding of \$2 million will not provide the originally envisioned 15,900 square foot building with ten service bays and administrative offices. Current estimates for the envisioned facility would cost \$6.2 million leaving a \$4.2 million deficit.

Mr. Cotton said the total deficit for all projects is \$85.5 million, however, there is also a need for a Transit Maintenance Facility and expanded facilities for the Fire Department located at North Base to be further discussed March 3, 2020.

Council Questions/Comments

Mayor Clark asked how the City is \$85.5 million off from the target in just five years and Mr. Cotton said it is important to remember that when the NF was envisioned, there was not a lot of information on some of the projects as they were conceptual in nature. The City did not have locations for some of the projects so land acquisition costs were unknown and there has been five years of public input and Ad-Hoc Committees regarding the design of the projects. Mayor Clark said essentially costs have gone up and the \$85.5 million better represents the needs and wants of the community? Mr. Cotton said yes, the City can meet the letter of the program and deliver projects as identified in the implementation plan, but the spirit of the program is being missed, which is to provide these facilities that would draw people into Norman as well as state-of-the-art facilities. Mayor Clark said she understands, but there are a lot of young citizens that would like the facilities now for their own use and do not care about the regional draw.

Councilmember Bierman said in the Fall of 2018, the NF Citizens Financial Oversight Board (CFOB) issued a report that sounded the alarm about funding shortfalls at that time, but made no recommendations about reducing or eliminating projects because the Ad-Hoc Committees had either kept the scope their projects within the budget or eliminated components themselves during the design phase. She asked if the NFCFOB received this presentation or anything similar and been given the opportunity to make recommendations they chose not to do in 2018. Mr. Anthony Francisco, Director of Finance, said he serves as Staff to the CFOB and the CFOB has a liaison member to each of the Ad-Hoc Committees and at each of the CFOB meetings, those liaisons report on the work of the Ad-Hoc Committees so yes, the CFOB has been kept informed on the scope of the projects as well as overruns.

Item 2, continued:

Council Questions/Comments, continued:

Councilmember Bierman said the CFOB has not made a report on this particular funding analysis about funding above and beyond what was budgeted in order to accomplish these projects, correct? Mr. Francisco said the turning point came when the Indoor Multi-Sport Facility and Indoor Aquatic Center Ad-Hoc Committee's received their updated engineering estimates and unlike the other Ad-Hoc Committees, this group basically states this would not work with current funding so there was a change in direction that has been heard by the CFOB.

Councilmember Bierman said in order for her to come to any sort of conclusion, she would need to hear comprehensively from the Ad-Hoc Committees as well as the CFOB. She would like for them to review this information now compared to information from the Fall of 2018 and give their opinion of the differences and what their course of guidance would be.

Councilmember Petrone asked for a breakdown of the Multi-Sport Facility and Indoor Aquatic Center individually and Mr. Cotton said he would provide that information.

Councilmember Petrone said the original budget was \$200 million, but to make it more palatable to the voters, \$50 million was removed for a \$150 million package. She said under that package, were any projects cut out and Mr. Cotton said no, he believes the anticipation some of the projects could be tweaked to get them within the \$150 million budget. Councilmember Petrone asked if sales tax revenues anticipated five years ago is meeting expectations and Mr. Francisco said the original projection was an annual growth of 4.25% for the 15-year period of NF, but that is growing at a slower rate. He said current projections are 6% below original projections and extrapolating that out, the City would end with a deficit of \$13 million from originals projections.

Councilmember Petrone asked who created the budgets in the beginning and Mr. Francisco said a lot of the costs were informed from the Ripken Study, the Parks Master Plan, and Library Master Plan, but those studies were not informed by updated engineering estimates based on square footages and similar facilities in other communities. He said in today's construction environment, the process of engineering changes over time in addition to the needs and wants of the community.

Councilmember Bierman said although tonight's discussion is regarding insufficient funding for construction of these facilities, the facilities will need ongoing maintenance, operations, and at some point repairs. She said if the project budgets already have shortfalls for construction, how will they be kept operational? Mr. Cotton said some of the facilities will be operated by a third party and as the City enters into these agreements, costs and other items will be identified. Councilmember Bierman would like to see maintenance and operation expenses prior to construction of the projects because anticipated expenses may be outdated. She would like a copy of the Ripken Study as well prior to the next discussion of the projects.

Item 2, continued:

Council Questions/Comments, continued:

Councilmember Holman said the original NF proposal was around \$250 million with the concept of trading Reaves Park to the University of Oklahoma (OU) in exchange for land around Westheimer Airport. He said an Exposition Center was discussed in the amount of \$15 million as well as a Football Stadium in the amount of \$22 million, which were cut from NF. He said projections for sales tax revenues in 2015, was \$150 million and that is the number Council decided to ask voters to approve.

Councilmember Holman said in 2015, Councilmembers were concerned that voters would not support \$200 to \$250 million in projects so Council decided on \$150 million in projects. He did not expect NF to pass by over 75% because of the number of projects and community interest in those projects. He said the request for a new Central Library failed in 2008, so he was hesitant about putting so many projects on the ballot. He said there are people who do not have children that would not use the sports facilities so he believed NF would only pass by 50% if it passed at all. He said Council did not expect sales tax revenue to decline as it has over the last five years and asked Mr. Francisco if the 4.25% predicated in 2015, was realistic and Mr. Francisco said at that time it was absolutely realistic. He said the City has seen a big change in how consumers behave over the past five years and the impact that has had on sales tax. He said the sales tax projections were based on 35 years of history, but these current megatrends are affecting revenues in a lot of ways that that leave the City struggling and trying to adapt.

Councilmember Petrone asked how many fields would be in the Indoor Soccer Facility and Mr. Cotton said it would be one large indoor field (120 yards by 60 yards).

Councilmember Hall asked how many facilities will have third party operators and Mr. Foster said Reaves Park Baseball/Softball; Indoor Aquatic Center/Multi-Sport Facility; Senior Wellness Center; and Griffin Park Soccer.

Councilmember Wilson asked the general economic impact of OU sporting events and Mr. Francisco said he did not know.

Councilmember Scanlon said he has received emails regarding locating the Senior Wellness Center at the Norman Regional Hospital (NRH) Porter Campus instead of Reaves Park, which would influence the estimates provided. He said during discussions regarding the Indoor Aquatic Center/Multi-Sport Facility, there had been discussion on private donations and asked if that is included in the cost estimates and Mr. Foster said the estimates presented tonight does not include possible private donations.

Councilmember Hall said if the Senior Wellness Center was relocated to NRH Porter Campus would the project estimates change substantially and Mr. Cotton said not really [sic] the programs would be the same regardless of the location.

Item 2, continued:

Items submitted for the record

1. PowerPoint presentation entitled, "City of Norman Municipal Project Funding Analysis," dated February 25, 2020

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The meeting adjourned at 6:14 p.m.

ATTEST:

City Clerk

Mayor