

CITY COUNCIL STUDY SESSION MINUTES

February 15, 2022

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 15th day of February, 2022, and notice and agenda of the meeting were posted at the Municipal Building at 201 West Gray 24 hours prior to the beginning of the meeting.

PRESENT:

Councilmembers Foreman, Hall,
Holman, Lynn, Peacock, Schueler,
Tortorello, Mayor Clark

ABSENT:

Councilmember Studley

Item 1, being:

DISCUSSION REGARDING THE FYE 2023 CAPITAL BUDGET AND THE FYE 2023– FYE 2026 CAPITAL IMPROVEMENTS PLAN.

Ms. Kim Coffman, Budget Manager, said tonight Council would be presented with a mid-year budget review for FYE 2023 and the Capital Improvements Plan (CIP) for FYE 2023 through FYE 2026. She said the purpose of the CIP is to support services of municipal governments and projects are identified in Long Range Master Plans that are reviewed by citizens and adopted by Council (land use, transportation, parks, water, wastewater, greenways, stormwater, etc.). Priorities are set for short range and long range so short range needs go into a one-year adopted Capital Budget and long range needs go into a Five-Year CIP along with proposed schedules of implementation and available funding sources. The CIP and other budgets are adopted annually, but only the one-year budget allows appropriation of funds so emergencies and high priority unanticipated project needs can be added. She said sources of funding include enterprise revenues, voter approved General Obligation (GO) Bond proceeds; Capital Sales Tax; NORMAN FORWARD Sales Tax (NFST), Public Safety Sales Tax (PSST); University North Park Tax Increment Finance (UNPTIF) Sales Tax; intergovernmental grants; Room Tax; private funds, and others.

A capital project generally costs more than \$100,000; is relatively fixed or permanent in nature; is an asset with an expected life span of more than five years; usually consists of the construction of new, expanded, or improved tangible assets; often takes more than one fiscal year to complete; and has contracted services for design, land acquisition, and utility relocations that may be required in advance of construction.

Ms. Coffman explained Capital outlay are expenses for maintaining or purchasing new or replacing tangible assets, which have an expected life of one to five years, is a one-time occurrence and expense that usually occurs within a single fiscal year to include vehicles, furniture, computers, and equipment. She said Capital Outlay paid by the Capital Funds are expended from the General Fund and Westwood Fund with capital sales tax funds transferred to cover costs.

Item 1, continued:

Ms. Coffman highlighted all funds included in the CIP Budget as follows:

Special Purpose Capital Funds

- Public Safety Sales Tax Fund (PSST)
- Community Development Block Grant (CDBG) Fund
- Special Grants Fund
- Room Tax Fund
- Public Transportation and Parking Fund
- Capital Fund (Pay-As-You-Go or PAYGO)
- Capital Fund (General Obligation Bonds)
- NORMAN FORWARD Sales Tax Fund
- Park Land and Development Fund
- University North Park Tax Increment Finance (UNPTIF) District Fund
- Arterial Road Recoupment Fund

Enterprise Funds

- Water Fund
- Water Reclamation Fund
- Sanitation Fund
- Sewer Maintenance Fund
- New Development Excise Tax Fund

Sources of revenue for all funds in FYE 2021 through FYE 2022 include Grants – .62%; Community Park Fee - .016%; User Fees – 22.33%; Capital Improvement Charge – .93%; Sewer Maintenance Rate – 5.39%; Sewer Excise Tax – 1.90%; Capital Sales Tax – 19.48%; Tax Increment Financing – 1.30%; Public Safety Sales Tax – 3.85%; NORMAN FORWARD Sales Tax – 9.51%; Room Tax - .27%; and Bonds – 34.26% for total revenues of \$238,617,555.

Expenditures for all funds in FYE 2021-2022 include Capital Outlay – 3.01%; Maintenance of Existing Facilities – 0.13%; Personnel and Services – 1.05%; Street Maintenance – 2.01%; Transportation – 20.42%; Buildings and Grounds – 33.97%; Parks and Recreation – 11.37%; Water Reclamation – 10.33%; Sanitation – 0.66%; Stormwater – 2.01%; and Water – 15.04% for total expenditures of \$238,617,555.

Ms. Coffman said the Capital Improvements Fund (CIF) was established in 1976 to account for capital projects funded by capital sales tax receipts, general obligation bond issues, or specific matching funds, i.e., private and reimbursement. He said these projects support services that do not have dedicated special revenues like Enterprise Funds. Those projects relating to Enterprise Funds, funded with fees and charges or special revenue sources are accounted for in their respective Enterprise Funds. He said 70% of one percent (0.7%) of sales tax is set aside for capital improvements for the Capital Fund and those approved projects for construction with this funding are accounted for in the CIF.

The capital sales tax guidelines to allocate revenue includes existing facility maintenance – 5%; general contingency – 7%; Capital Outlay – 27%; street maintenance – 25%; and other projects and debt service – 36%.

Item 1, continued:

Mr. Anthony Francisco, Director of Finance, highlighted the status of the Capital Fund as follows:

- Capital Fund PAYGO
 - FYE 22 estimated available for new projects is a negative (\$7,420,334)
 - FYE 23 projected available for new projects is a negative (\$5,136,980)
 - FYE 24 projected available for new projects is a negative (\$3,844,262)
- Capital Fund Bonds
 - Bond reserves are unbalanced – some positive and some negative, evaluating how to balance those currently unbalanced

Significant projects underway in FYE 21 include:

- Transit/Parks/Emergency Vehicle Maintenance Facility - \$8.6 million;
- Total Maximum Daily Load (TMDL) Compliance and Monitoring Plan Implementation, Year Five - \$300,000;
- Lake Thunderbird TMDL Data Analysis and Plan Update, Years One through Five - \$207,160;
- Fire Station 9 – finishing miscellaneous small items/Fire Administration Building renovation – 85% complete;
- Porter Avenue and Acres Street Intersection - \$3,675,000;
- Engineering Design Criteria Update and Green Stormwater Infrastructure Review, Phase II - \$229,000;
- Comprehensive Land Use and Transportation Plan Update; and
- Imhoff Road Bridge Emergency Repair Project - \$1,440,695.

Projects under construction in FYE 22 include:

- Municipal Complex Renovations - \$9,971,465;
- 36th Avenue N.W. Utility Relocation - \$17,950,000;
- I-35 and Robinson Street West Side - \$5,300,000 (includes ODOT match);
- Classen Boulevard Sidewalks - \$229,296;
- Flood Avenue Sidewalks, Gray Street to Acres Street - \$250,000;
- Porter Avenue Streetscape - \$4,134,170;
- Constitution Street Multimodal Path - \$1,100,000; and
- James Garner Avenue, Phase II - \$6,640,000.

Ms. Coffman highlighted projects included in the 2012 Transportation/Stormwater Bond Program and the 2019 Transportation Bond Projects for FYE 2020-2025.

The Bridge Maintenance Program is allocated \$100,000 per year; however, Council began allocating \$500,000 in FYE 2021 due to deterioration of bridges across Norman. The Imhoff Bridge originally identified for maintenance in FYE 2022, required emergency repairs after a maintenance check determined the bridge was unsafe and the bridge was closed to the public pending repairs. The cost to reconstruct Imhoff Bridge was \$1,440,695 and the bridge was reopened in March 2022. Other Bridge Maintenance Projects completed in FYE 2021 included 156th Avenue N.E.; West Rock Creek

Item 1, continued:

Road; West Brooks Street; East Boyd Street; 72nd Avenue S.E.; Concord Drive; 48th Avenue S.E. and Cedar Lane Road.

There are 77 bridges in Norman with ten being at risk of becoming structurally deficient; five are structurally deficient; twelve are functionally obsolete; and six have load limit postings. The total program cost estimate is \$40 to \$50 million under a ten-year construction plan. There are currently 20 locations identified for rehab/repair and 9 locations identified for replacement. Staff is working to establish detailed project scopes and cost estimates.

The City Fleet Fueling Facility was constructed and registered with the Oklahoma Corporation Commission in 1998. The fiberglass underground storage tanks have a life expectancy of 30 years (2028). Fuel storage capacity includes 10,000 gallons of diesel and 10,000 gallons of unleaded gasoline; it dispenses approximately 500,000 gallons of fuel annually to over 793 city vehicles/equipment. Currently, the fuel line encasements have failed allowing ground water to lay on top of pumps and critical repairs are needed in the next three years at an estimated cost of \$350,000 to \$500,000. Alternative fuels, such as ethanol and biodiesel, are not available due to lack of tanks and there is no option for Diesel Exhaust Fluid (DEF). There is also limited tank/storage capacity for a growing fleet and fuel islands are deteriorating. Total replacement costs are estimated to be \$1,650,000.

Projects scheduled for Highway 9 by ODOT include:

- Phase I – 24th Avenue East to 36th Avenue East (completed);
- Phase II – 36th Avenue East to 72nd Avenue East (completed);
- Phase III – Little River Bridge (complete);
- Phase IV – 72nd Avenue East to 108th Avenue East;
- Phase V – 108th Avenue East to 156th Avenue (scheduled for 2025);
- Phase VI – 156th Avenue East to Town of Tecumseh; and
- Future project for 24th Avenue West to 24th Avenue East is currently unfunded.

Staff highlighted the Surface Transportation Program Band Surface Transportation Block Grant Program funding history. Mr. Shawn O’Leary, Director of Public Works, said the Association of Oklahoma Governments changed their federal funding rating system a few of years ago and the City received much smaller funding dollars; however, the rating system was changed so funding amounts are back to amounts the City has received in the past. He said these funds have become more competitive so it is difficult to anticipate the amount of funding the City will receive for projects submitted.

In the City Vehicle Replacement Program, the City replaced 35 units in FYE 2017 - \$3,046,969; 27 units in FYE 2018 - \$2,383,036; 29 units in FYE 2019 - \$2,045,471; 36 units in FYE 20 - \$1,991,083; 27 units in FYE 21 - \$2,147,635; and 34 units in FYE 22 - \$2,179,732.

Item 1, continued:

Proposed recurring sidewalk projects from the Capital Projects Fund in FYE 2023 include Sidewalk Program for Schools and Arterials - \$80,000; Sidewalk Accessibility Projects - \$30,000; Citywide Sidewalk Projects (50/50 repairs) - \$100,000; Downtown Area Sidewalk Project - \$50,000; Sidewalks and Trails - \$120,000; and Horizontal Saw Cut Program - \$40,000 for total expenditures of \$420,000.

Recurring proposed CIP in FYE 2023 includes Capital Outlay - \$3,844,797; Street Maintenance - \$2,305,377; Maintenance of Existing Facilities - \$285,300; Stormwater Draining Maintenance - \$1,250,000; Personnel - \$1,484,543; Oklahoma Department of Transportation (ODOT) Audit Adjustments - \$100,000; Americans with Disabilities Act (ADA) Sidewalk Compliance and Repair - \$386,000; Bridge Maintenance - \$750,000; Driveway Repairs - \$10,000; Street Striping - \$100,000; Traffic Calming - \$50,000; Community/Neighborhood Improvements - \$100,000; and Building Maintenance Mechanical/Electrical - \$50,000 for total expenditures of \$10,716,017.

Upcoming significant projects in FYE 2023 include 36th Avenue N.W. - Tecumseh Road to Indian Hills Road Widening Utility Relocation - \$1,000,000; Porter Avenue Streetscape - \$4,134,170; James Garner Avenue, Phase II - \$6,639,763; Traffic Management Center - \$2,400,000; Transit Transfer Center Site Purchase and Remodeling - \$1,200,000; and City Vehicle Wash Facility - \$1,800,000.

PSST Fund Projects underway in FYE 2021-2022 include Emergency Operations Center (EOC) - \$16,500,000 and Fire Apparatus Replacement, Year 7 - \$800,000. The EOC will be 19,900 square feet and fully “hardened” against severe weather. The project costs include design, project management, Construction Manager at Risk (CMAR), and Architecture and Engineering (A&E) services. Design work is underway and groundbreaking is anticipated to take place this year.

The PSST fire apparatus replacement schedule consists of Elevated Platform in FYE 2016 - \$1,105,943; Fire Engine in FYE 2017 - \$523,853; Fire Engine in FYE 2018 - \$622,079; Pumper/Tanker in FYE 2019 - \$724,974; Pumper/Tanker in FYE 2020 - \$735,974; Air and Light Unit/Public Education in FYE 2021 - \$471,500; Fire Engine in FYE 2022 - \$760,000 budgeted; Fire Engine/Staff Vehicle in FYE 2023 - \$800,000 budgeted; Ladder in FYE 2024 - \$1,800,000 budgeted; and Fire Engine/Staff Vehicle in 2024 - \$850,000 budgeted.

FYE 2022 NORMAN FORWARD Projects completed include Ruby Grant Community Park (football practice fields, trails, restroom); Griffin Park, Phases III and IV; and Rotary Neighborhood Park Improvements.

FYE 2022 NORMAN FORWARD Projects underway include Griffin Park – Phase V; Young Family Athletic Center (YFAC) (to include a Sports and Human Performance Center funded by Norman Regional Health System (NRHS); Reaves Park Baseball/Softball Complex; new Neighborhood Park Development (Summit Valley Park); Neighborhood Park Improvements (Vineyard, Cherry Creek, Earl Sneed); James Garner Avenue – Flood Avenue to Acres Street; and Senior Wellness Center (southeast corner of Norman Regional Hospital Porter Campus).

Item 1, continued:

Future NORMAN FORWARD Projects include new neighborhood parks - \$1,700,000; lease payments for Griffin Park - \$80,000 annually for a total of \$2,400,000; Canadian River Park - \$2,000,000; new trail development throughout Norman - \$4,385,000; Saxon Park development - \$2,000,000; Neighborhood Park Improvements - \$5,450,000; and Traffic Improvements - \$2,700,000 (Griffin Park, YFAC, and Reaves Park).

Room Tax Fund significant projects in FYE 2022 include Historic Museum parking - \$55,000, remaining debt on 2002 Norman Municipal Authority (NMA) Golf Course Bonds retiring on June 1, 2022, and YFAC Bond Issuance - \$3,800,000.

Upcoming challenges include

- I-35 Corridor Study (Norman/Moore/ODOT);
- Public Transportation (Regional Transportation Authority, replacement buses, and recommendations from Transit Study);
- Fleet Fueling Facility; new traffic signals on State Highways and City Arterials;
- 718 North Porter A&E/Rehab;
- Police Training Facility updates/maintenance;
- Police Department Security updates;
- Unfunded remodel of Police Department building after Municipal Court vacates
- Unfunded Building C remodel;
- Police Hydraulic Drive Unit Robot;
- Fire Station No. 10;
- Bridge replacements;
- Stormwater infrastructure maintenance;
- Comprehensive Land Use and Transportation Plan update; and
- Rising construction costs for YFAC and Senior Wellness.

Next steps include an overview of the proposed FYE 2023 Budget for General and Special Revenue Funds – April 19, 2022; first public hearing on the proposed FYE 2023 Budget – April 26, 2022; review of final proposed Capital Budget for FYE 2023 and CIP Plan for FYE 2024-2027 – May 3, 2022; overview of proposed FYE 2023 Budget for Enterprise Funds – May 17, 2022; second public hearing on proposed FYE 2023 Budget – May 24, 2022; and adoption of proposed FYE 2023 Budget – June 14, 2022.

Items submitted for the record

1. PowerPoint presentation entitled, “FYE 2022 Capital Improvement Program Budget Status, Preparation of FYE 2023 CIP, Preparation of FYE 2024-2027 Capital Improvements Plan”

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Item 2, being:

DISCUSSION REGARDING THE HOME BASE FINAL REPORT.

Ms. Lisa Krieg, Community Development Block Grant (CDBG)/Grants Manager, introduced Ms. Julie Silas, Homebase Directing Attorney, and Mr. David Dirks, Homebase Senior Staff Attorney.

Homebase is a non-profit organization that has been working with homelessness for over 30 years. She said Homebase is mission driven; works at federal, state, and local levels; is customized and community specific; focuses on successful plan implementation; addresses equity as an integral part of evaluation and planning; and honors local expertise, especially People with Lived Experience of Homelessness.

An overview of the process was provided that includes community input, stakeholder interviews, focus groups, and surveys; Data Analysis - Point in Time Count (PIT) and Housing Inventory Count (HIC);, Homeless Management Information System (HMIS), and United States Census Bureau; Action Plan - Assessment and Gaps Analysis, stakeholder feedback, draft/finalize Action Plan; and Implementation by setting up an implementation structure, prioritizing strategies and action steps, and agreeing on short-term, medium-term, and longer-term actions.

Homebase conducted a gap analysis and an Action Plan to establish a shared understanding of gaps and needs, align stakeholders and resources in support of shared objectives, and establish greater community-wide collaboration. A gap analysis provides an overview of homelessness in the City of Norman and Cleveland County that helps to provide a response system and recommendations for gaps or needs.

Goal One is to secure a housing future for all Norman residents through landlord engagement including developing a landlord engagement campaign; addressing barriers for tenants; incentivizing landlord participation; and building positive relationships with landlords. Examples of Goal One metrics short-term (six month to one year) actions include Metric 1.1: Public Housing Authorities operating in Cleveland County implement a “Moving On” preference for Housing Choice Vouchers for people in permanent supportive housing no later than January 2023, and Metric 1.2: communitywide coordinated efforts to help people become document ready and apply for mainstream benefits held at least every other month by the end of January 2023.

Goal Two is to increase access to homeless emergency response services. Examples of Goal Two short-term actions include Metric 2.1: a series of training on housing-focused services designed and offered to Staff from all Continuum of Care (CoC) partners and be in place for bi-annual trainings for current staff and more frequent training for new staff no later than December 2022; Metric 2.2: create a peer support group of people with live experience of homelessness is created, funded, trained, and providing support to people experiencing homelessness by December 2022; and Metric 2.3: ensure 90% participation in the countywide HMIS from the City, County, and non-profit providers who primarily serve individuals experiencing homelessness by December 2022.

Examples of Goal Two medium-term actions include Metric 2.4: a mobile van for street outreach funded/purchased, staffed, and on the street no later than June 2023, and Metric 2.5: At least one year-round low-barrier, housing-focused shelter to provide shelter and services no later than June

Item 2, continued:

2023. Goal Two longer-term actions include Metric 2.6: the 2025 PIT count shows 30% fewer unsheltered individuals in Cleveland County compared to the 2019 PIT count.

Goal Three is to mobilize the countywide response to prevent and end homelessness. Examples of Goal Three short-term actions include Metric 3.1: CoC creates a stand-alone webpage no later than June 2022; Metric 3.2: CoC launches its first outreach initiative that provides information and resources to people at risk or experiencing homelessness by December 2022; Metric 3.3: CoC's Data Committee be reconvened and at least one aggregate report be submitted by June 2022. Goal Three medium-term actions include Metric 3.4: launch a robust homelessness diversion effort no later than September 2023; Metric 3.5: new Data Quality Plan approved and in place with training and education available by December 2022; and Metric 3.6: All agencies working with the CoC are fully participating in HMIS, including those that need subsidization, no later than March 2023.

Next steps include confirming Year One commitments by identifying achievable first year priorities, establishing committees, and identifying responsible parties (housing, landlord engagement, supportive services); evaluating resources and priorities by mapping out Year One by quarters and priorities; and beginning implementation by convening committees and initiating action steps. Sample achievement Year One priorities can include a County-wide landlord engagement campaign; a year-round low-barrier housing-focused shelter; single room occupancy units; a "Moving On" policy for Public Housing Authority; and providing optional wrap-around services.

As far as structure and process (implementation structure), the City and CoC will need to decide who needs to be at the table, what kind of structure is needed, such as one central committee, topic committees, or both and rollout. To develop a Countywide coordinated Landlord Engagement Campaign, the City and CoC will need to establish a committee of key partners to develop a County-wide landlord engagement campaign; identify available funding for mitigation or incentives funds, and research and understand what landlord engagement activities are already taking place.

Items submitted for the record

1. Community Strategic Homeless Plan Talking Points
2. PowerPoint presentation entitled, "Bridging the Gap: Action Steps to End Homelessness," prepared by Norman/Cleveland County Continuum of Care dated February 15, 2022
3. Norman/Cleveland County Continuum of Care (OK-504) - Bridging the Gap: Action Steps to End Homelessness prepared for the Norman/Cleveland County Continuum of Care by Homebase dated February 2022

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The meeting was adjourned at 8:50 p.m.

ATTEST:

City Clerk

Mayor