



## **AMENDED MINUTES**

The City Council of the City of Norman, Cleveland County, State of Oklahoma, met in Study Session in the Executive Conference Room of the Norman Municipal Building on the 2nd day of January, 2024, at 5:30 p.m., and notice and agenda of the meeting were posted at the Municipal Building at 201 West Gray Street 24 hours prior to the beginning of the meeting.

### **CALL TO ORDER**

#### **PRESENT**

Mayor Larry Heikkila

Councilmember Ward 1 Austin Ball  
Councilmember Ward 2 Lauren Schueler  
Councilmember Ward 3 Bree Montoya  
Councilmember Ward 4 Helen Grant  
Councilmember Ward 5 Michael Nash  
Councilmember Ward 6 Elizabeth Foreman  
Councilmember Ward 7 Stephen Holman

#### **ABSENT**

Councilmember Ward 8 Matthew Peacock

### **AGENDA ITEMS**

#### **1. CONTINUED DISCUSSION REGARDING THE INTERNAL AUDIT PROGRAM.**

Mayor Heikkila and Councilmembers discussed how to title the Internal Audit Program document. Councilmembers were concerned calling it a charter would be confusing we already have a City Charter. However, technically speaking this is the industry standard language. The policy and procedures for this charter should be adopted by Resolution. The consensus was to continue to call this a charter.

Mr. Darrel Pyle, City Manager, suggested that this is an opportunity for Civic education. The Internal Auditor, Shaakira Calnick, can work closely with Tiffany Vrska, Communications Officer, to do some podcasts or videos that let the community know about the program. Residents can compare with similar communities and find the same information.

Mayor Heikkila questioned the statement that says, "whereas the office of the City Auditor is established as a Division." Mayor Heikkila said this position is an employee of the Council approved by a vote of the people on May 24, 2023.

Item 1, continued

He requested the language be changed from legislatively appointed City Auditor to being a Council appointed position.

Mayor Heikkila also suggested changing the wording from Position of the City Auditor to Department of the City Auditor.

Mayor Heikkila said the design of the Audit Committee should be decided now before going any further. He suggested the Audit Committee be made up of the same people who serve on the Finance Committee plus any other Councilmembers that wish to be there.

Ms. Calnick stated it would be ideal for someone with accounting experience to serve as the Chairperson and then have four or five other members with a couple of those being from the community at large. She said it could be modified, but there should be members of Council and members of the public on the Audit Committee.

Councilmember Montoya said the Audit Committee should be under the Finance Committee. She said trying to get volunteer at large members from the community that are licensed professionals will be extremely difficult. Additionally, there is sensitive information discussed at these meetings that should not be for public view. Mr. Pyle asked without a quorum of Council for the Finance Committee, could the Audit Committee meet behind closed doors.

Ms. Walker said the challenge is that Council has adopted an Ordinance and a Resolution that states any committee or sub-committee of the Council has to follow Open Meeting Act rules. The only closed doors is if there is an Executive Session qualifying item. The Open Meetings Act also defines public bodies as dealing with the expenditure of public funds.

Ms. Calnick said the Audit Investigation Reports should not be made public until the audit is complete. Mayor Heikkila said that if there is something criminal found through the Audit findings, the public has a right to know how their money is being spent. If something of significance is found, the information should be through the Legal office and then to the public.

Councilmember Schueler stated the Audit Committee would be held as a quarterly meeting. Her concern is if a quorum of Council is not allowed, how it would be controlled. As of now, all Councilmembers can attend any Council Committee meeting and this could cause there to be a quorum at the Audit Committee meeting. It would be a good idea to look at how Oklahoma City handles this issue with their Audit committee. She felt there should not be one committee of Council operating differently than the others.

Ms. Calnick said as the City Auditor she would be taking direction or guidance from the Audit Committee regarding what Audits to perform, etc. As the City Internal Auditor, she would need to present any findings to the Audit Committee, Council and the City Manager for the efficiency of the operation.

Mr. Pyle said to be able to facilitate the agenda for the Audit Committee, the Finance Committee would meet and then adjourn and immediately go into the Audit Committee agenda. This would be the most efficient way to have the most number of participants possible.

Item 1, continued

Councilmember Peacock said that if Audit findings showed some type of problem a special meeting could be held to address such findings and determine the next steps through the Legal Department and City Manager as well as the Internal Auditor. Ms. Calnick would present her preliminary findings and request to open an investigation or what the City of Norman next steps would be in this situation.

Mr. Pyle said if a special meeting of the Audit Committee was needed in between their quarterly meetings, an agenda item could be placed on the Finance Committee Agenda for the Audit Committee findings or to have them meet.

Mayor Heikkila said that if the report found something dire that needed to be addressed immediately, a Special Session of City Council could be called.

Ms. Walker stated that hypothetically speaking, if the Auditor were to find that a specific employee was potentially embezzling money, etc. then an Executive Session would be called to discuss employment status and Human Resources would be involved.

Councilmember Schueler asked if citizens at large would be part of the Audit Committee.

Ms. Calnick said the benefit of having citizens serve on the Audit Committee is public accountability. It would be ideal to have professional citizens on the Audit Committee as well so the decision making process is more transparent and fair. If the Auditor were to decide to investigate a specific department, etc., the citizens on the Audit Committee could help determine if the investigation is being fairly executed.

Councilmember Schueler said part of the reason the public voted to create the position of Internal Auditor is to keep the City accountable. She said this element of why the position was created should not be lost.

Mayor Heikkila said selection of Audit Committee members should be done by pulling names out of hat, the more random, the better. The City Auditor could present certain persons to go in the hat based on their resumes. The term for each Audit Committee member would vary and it is staggered.

Mayor Heikkila requested an explanation of the following sentence under Section 5, "the City Auditor will confirm to the Audit Committee and the City Council at least annually the organizational independence of the Internal Audit activity".

Ms. Calnick responded once a year she has to prove that she is truly independent. Independent of any influence or coercion by City Council, etc. She said it is a statement she will present each year, which says she is independent and impartial.

Mayor Heikkila said Audit Charter indicates the City Auditor shall notify the Cleveland County District Attorney. He wanted to add this should be done at the direction of City Council and the advisement of the City Attorney.

## Item 1, continued

Ms. Calnick said she is currently developing the internal audit policy and procedures as well as the risk assessment process and questionnaire. Once this governance piece is completed things can move forward with the Audit Committee meetings. FYE 24 is currently being audited, but standard practice is to go back five years. She said it would be ideal to have a comprehensive Audit plan in place by this summer.

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## 2. DISCUSSION ON CLEANUP IN DOWNTOWN NORMAN.

Ms. Michele Loudenback, Environmental and Sustainability Manager, said she was given the role of presenting the history of the litter crew. The original allocation for the crew was \$71,000 in 2002 for four people and allowed for 215 days of clean up as well as mowing and removing debris from the channels. The litter crew went away due funding issues. In 2008, Mr. Greg Hall, Streets and Stormwater Superintendent, brought it back and the allocation was \$48,000, coming from the General Fund as a Public Works program.

In 2017, Council approved the Lake Thunderbird Total Maximum Daily Load (TMDL) Plan (a monitoring and compliance plan) where litter control was included as part of the best management practices. The map dated 2008-2009 showing the areas the litter crew covered were urbanized core Norman areas. The next map, 2018-2022, included cleaning from the streets and streams: most of the cleanup was along streets and roadways within the Thunderbird watershed. The Standard Operating Procedure for the litter crew was included in the 2019 policy manual that Council adopted. Due to the increase in litter, Staff wanted the program to provide a day's wage and access to housing, healthcare, permanent employment, mental health care, etc. Council offered to provide funding for the project, therefore, the RFP was issued November 17, 2023, and two responses were received. One was from the Mental Health Association of Oklahoma who operate the Better Way in Oklahoma City and Tulsa. The second response was from Norman Care-A-Vans, a local non-profit that provides transportation services for unhoused members of our community. The range of costs was \$330,000-\$530,000. The difference between those two numbers, the lower end is working three days a week with eight to nine participants and the higher end is five days a week.

Originally, the allocation for the litter crew was \$50,000. Mr. Pyle said the conversation began with Mr. Shawn O'Leary, former Public Works Director, who used to oversee the litter crew and Mr. O'Leary indicated \$50,000 was not buying what it used to buy. In 2002, the City got 215 days of work, but as time moved along it was paired down to 90 days per year and that is not getting it done anymore. When Mr. O'Leary was asked how much money it would take to actually make an impact he felt like it would take at least \$150,000. The ability to employ a targeted population and provide wrap around services accounts for what Staff is seeing in the cost increase. These additional services were not provided in the past. Ms. Loudenback said funding could be partially from the General Fund and partially from the Solid Waste Fund.

Councilmember Grant asked how litter on private property would be handled.

Ms. Loudenback said the contractor would not be able to pick up litter on private property.

Item 2, continued

Ms. Walker said currently, if the City's crews are out and trash has blown into a creek bed or an area where City crews have control and access, they can take care of it, but otherwise the City must be careful using ratepayer funds. The work done cannot benefit a private entity or private property owners.

Councilmember Foreman felt comfortable proceeding with the program as long as Mr. Pyle and Mr. Mattingly did not mind having this in their budget.

Mr. Mattingly said the Sanitation Division is not able to manage personnel in the field picking up the litter. The City is currently doing a cost of service study and the report should identify who is paying into the Sanitation Fund and who is benefitting. The City does not want residential subsidizing commercial and vice versa. He said these numbers should be available in about three months.

Councilmember Holman said he was supportive, but also thought it should probably start with the three days per week program and expand from there, if needed. Conversely, if it was implemented as a five days a week program, it would be a more consistent job for people. He said this could be a selling point for a future rate increase.

Mr. Pyle said we could also wrap the van with a catchy phrase that would let people know this is the litter crew. Once Council awards a contract to one of the vendors, details can be included in the contract about routes since this is a new program for our City.

Ms. Walker indicated it would be March when everything has been completed. The selection process would be done internally based on the RFP's received and then Staff would negotiate with the selected company on the details.

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## ADJOURNMENT

The meeting adjourned at 6:28 p.m.

ATTEST:

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City Clerk

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Mayor