CITY COUNCIL PUBLIC MEETING MINUTES

January 21, 2014

The City Council of the City of Norman, Cleveland County, State of Oklahoma, met in a public meeting at 6:30 p.m. in the Municipal Building Council Chambers on the 21st day of January, 2014, 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 Castleberry, Griffith, Heiple, Holman, Jungman Kovach, Miller Williams, Mayor Rosenthal
ABSENT:	None

Item 1, being:

PRESENTATION AND DISCUSSION REGARDING RENEWAL OF THE PUBLIC SAFETY SALES TAX TO BE SUBMITTED FOR VOTER APPROVAL.

Welcome

Mayor Rosenthal welcomed everyone to the public meeting regarding the renewal of the Public Safety Sales Tax (PSST). She said tonight's public meeting is a very important step in the PSST renewal process and the goal is to gain public input on the various proposals. She said the PSST has been a resounding success, not only from her perspective, but also from the members of the Citizens Public Safety Oversight Committee (PSOC) who have diligently monitored the implementation of the PSST to ensure the City met the promises originally made in 2008. She said the time has come to renew this commitment as was promised throughout both the early deliberations and crafting the PSST as well as throughout Council deliberations.

Mayor Rosenthal encouraged citizens to judge the success of PSST I, assess the proposals and initiatives for PSST II, and hold Council accountable regarding the deliberating process for PSST, including promises going forward. She said after tonight's presentation, individuals will have the opportunity to ask questions and/or make comments and there will be more opportunities for public comment and input throughout the process as the ordinance is considered, reviewed, and put before the voters.

History of the PSST

Mr. Steve Lewis, City Manager, said Council is considering the potential of a PSST election on April 1, 2014, for voters to consider adding a ten-year temporary renewal period for a ½ percent tax rate, which includes retaining the current 71 PSST employees hired through 2015. He said the May 2008, ballot limited the expenditure of funds to predominately public safety items, provided for a citizen oversight committee, and set out a detailed annual staffing plan. He said the proposed PSST renewal will include the addition of a School Resource Officer (SRO) program with Norman Public Schools (NPS); four (4) communication officers (dispatchers); two (2) mechanics to service emergency vehicles; and funding for critical public safety capital needs.

Mr. Lewis highlighted the history and background of the PSST stating it was a ½ percent tax for public safety beginning October 2008, through September 2015, (PSST I) and funded the following:

- Two (2) new fire stations to serve areas that previously fell outside Insurance Service Organization (ISO) and National Fire Prevention Association (NFPA) coverage areas of existing stations, thus improving response times;
- Thirty (30) additional firefighters assigned in the two (2) new fire station locations; each operating with five (5) personnel per shift assigned to respond to citizens 24 hours a day, seven (7) days a week;

- Fire Station No. 8 in northwest Norman was positioned to satisfy the coverage needs of the many residential growth and the public assembly/commercial development including schools and churches in the area;
- Fire Station No. 9 in east Norman enhances the City's response in the rural portion of east Norman and provides fire and first responder coverage to the rapidly-developing residential sector in this area and absorbs parts of the response district of the City's two (2) most active fire stations, thus alleviating pressure on these stations and providing more consistent response time in Norman's core area; and
- The sales tax added 41 police officers over the seven (7) year period dedicated to implementing a philosophy of Community Oriented Policing (COP) in Norman. This has improved officer's response times to calls from citizens and has provided more time for officers to spend in neighborhoods addressing problems.

Mr. Lewis said a frequent question that generally came up during the 2008 PSST election and continues to be asked going forward is how will the PSST funds be monitored to show accountability and transparency to and for the community. He said the PSST I ordinance specifically identified new facilities and additional personnel, including a dedicated staffing plan that specifically laid out how many officers and/or firefighters would be hired and in what year. Mr. Lewis said the PSST ordinance further identified that other uses of the sales tax could only be considered after meeting the specifics of the plan. He said a PSOC was appointed to monitor the PSST plan as well as expenditures from the sales tax and issue an annual report to the community. The PSOC consists of nine (9) persons, one from each Ward and one at-large, and meets on a monthly basis with the Fire and Police Chiefs as well as other City Staff to review the progress the City is making in terms of the commitments that were made to the citizens in 2008. The PSOC also submits an annual report to Council and over the years the following statements have been mentioned in each:

- The City has been responsive to the Committee's information requests and guidance;
- The City's expenditures have been made in accordance with the ordinance establishing the parameters of such expenditures; and
- The City continues to progress with the successful implementation of Community Oriented Policing (COP).

Mr. Lewis said a temporary seven (7) year tax was initially selected for PSST I because a temporary tax would afford citizens the opportunity to express their opinion at the ballot box regarding the effectiveness of this approach to funding public safety. The PSST ordinance allowed for consideration of an extension by voters in year six prior to the expiration of the tax and the tax rate could be re-adjusted at that time to better reflect sales tax trends.

PSST I also included additional public safety one-time capital expenses, i.e., fire apparatus additions and replacements; Smalley Army Armory Center renovation into Investigations Facility; Computer-Aided Dispatch, Records Management, and Mobile Data Systems Conversion; and Police In-Car Video Systems.

Proposed PSST Renewal

Mr. Anthony Francisco, Finance Director, said due to the notice dates and requirements, the City of Norman must provide 90 day notice to the Cleveland County Election Board and an April 1, 2014, election date requires the First Reading of the proposed PSST Renewal (PSST II) ordinance to be considered on January 14, 2014. He highlighted state law regarding use tax and said the City of Norman can impose a use tax that would accompany the sales tax. A use tax is a sales tax on items purchased outside of the City of Norman for use within the City of Norman. For example, if an item is bought out of a catalog or online and the item is shipped to Norman, a use tax is applied to that purchase.

Mr. Francisco highlighted the regional sales tax rate for several Oklahoma cities and counties in comparison to Norman and the proposal for PSST II as follows:

- ½ percent, dedicated sales/use tax, generating an estimated $11 million in Year 1 and $16 million in Year 10 – a gradual increase each year;
- 10-Year temporary tax period;
- Effective October 1, 2015, through September 30, 2025;
- Retain 71 police and fire personnel added during PSST I;
- Retain Rainy Day Fund at targeted level – a one-time contribution on a pro-rata basis of the public safety's portion of the budget to bring it to its targeted level and this contribution would continue to keep the Rainy Day Fund at its target as the expenditures of the General Fund grow;
- Addition of 13 police officers and the creation of School Resource Officer (SRO) Program with Norman Public Schools (NPS); NPS in partnership with the City of Norman, will fund the SRO Program; the City estimates the cost-sharing at 50/50 split;
- Addition of four (4) communication officers (dispatchers) due to the increased work load on the dispatch function;
- Addition of two (2) mechanics to service emergency vehicles - approximately 50 new public safety vehicles have and/or will be added; and
- Critical Public Safety Capital needs.

Proposed School Resource Officer (SRO) Program

Mr. Keith Humphrey, Police Chief, said the SRO Program would be implemented to improve school safety and act as a liaison between the school community (teachers, students, & administrators) and Police Department. He said cost-sharing and other factors would be finalized between the City and NPS. The program would be phased-in over a two-year period with half of the officers being assigned to the program during the first year and the other half during the second year. One supervisor (police lieutenant) would manage the program; two officers would be assigned at each of the high schools; one officer would be assigned at Dimensions Academy (alternative school); one officer would be assigned at each of the four middle schools; and three officers would be assigned and rotate between the 15 elementary schools.

Chief Humphrey emphasized that the SRO Program has been an on-going dialogue between the City and the school district and the main focus is to ensure improved safety in every school campus as well as the community. He said it is a joint effort and felt the SRO Program is a way to ensure safety within the schools. Chief Humphrey said the Police Department, acting as a liaison, has the responsibility to ensure there is a continued on-going dialogue regarding public safety issues. He said an officer would be assigned to a particular school full-time and their responsibilities would include responding to public safety issues at the school, as well as being a resource that would continue educating the students on a number of COP programs which are currently implemented within the schools, e.g., Teaching Education and Mentoring Program, My Life - My Body Program, etc. He felt the SRO Program would strengthen the relationship between the students, the Police Department, the school, and the community.

Chief Humphrey said six officers and one supervisor would be hired the first year and the remaining six officers the second year. He said it is understood that 13 officers cannot immediately be placed within the school system and the needs of the school must be evaluated. Chief Humphrey felt everyone agreed the SRO Program can make a difference in the NPS system and he believes it is the best way to bridge the gap between the children, the school system, the Police Department, and the community. Chief Humphrey said it is important for children not to be afraid of police officers and to understand the police officers are there to ensure their safety and not to "give them a hard time." Chief Humphrey felt the SRO Program could be a good recruiting tool for the Police Department and will help police bond with children, earn their respect, and help children understand what is expected of them as they become adults.

Chief Humphrey said other cities and schools have implemented similar SRO programs and Staff has researched their models/programs; however, he wants to emphasize that the proposed SRO Program accommodates the needs of NPS, the City of Norman, the Norman Police Department, and is strictly designed for Norman.

Prioritized Capital Needs Identified

Mr. Francisco said revenue projections are such that the City knows a ½ percent sales tax will more than pay for 71 public safety personnel that were hired as part of PSST I; therefore, going forward the assumption will be the same for the proposed 2015 PSST II. He said public input and Councilmembers have made it clear the additional funds should only be applicable to public safety purposes. Mr. Francisco said the PSOC for PSST and Council has had on-going discussions regarding critical public safety capital needs as follows:

- Priority 1: Replace City Radio Communications System : $15,000,000
    - The City Radio Communications System is not only for the police and fire departments, but for all City departments, as well as outside partner agencies that utilize Norman's dispatch function, such as Norman Regional Hospital. The radio system is rapidly becoming obsolete and must be replaced under Federal Communications Commission (FCC) guidelines by 2018.
- Priority 2: Emergency Operations/Dispatch Center (EOC): $6,500,000
    - The EOC will house not only Dispatch but also the EOC that operates whenever jurisdictional needs are combined under emergency operations.
- Priority 3: Replace Fire Apparatus: $6,800,000
    - Five fire engines, one ladder truck, and replacement of auxiliary apparatus to include a rescue truck and command vehicles.
- Priority 4: Relocate Fire Station No. 5: $3,500,000
    - Currently, Fire Station No. 5 is located at the extreme eastern boundary of Norman and could serve a larger population if it were relocated to a more central location in rural Norman.

Mr. Francisco said total estimated costs for the prioritized capital needs are approximately $31.8 million and using the carry-over PSST I Fund Balance ($4,729,617) and proposed PSST II collections (January 2016 – June 2016: $5,067,418) as a possible source of revenue for one-time capital needs. He said Council has directed efforts be made to locate the proposed EOC/Dispatch Facility and other public safety facilities on property that is already owned by the City in order to reduce future costs. Mr. Francisco said Staff will employ alternative capital financing methods, e.g., lease/purchase arrangements, pay-as-you-go financing, certificates of participation, revenue bonds, etc., to finance as many of these capital needs as can feasibly be done within available revenues during the PSST II period.

Mr. James Fullingim, Fire Chief, said, historically in Norman, fire engines have been used 20 to 25 years and the life expectancy for the fire apparatus is generally 10 to 15 years. He said at year 12, most of the fire apparatus begins to fail, becomes in-efficient, and unreliable. Chief Fullingim said the PSST II will accelerate the pace at which the fire apparatus is replaced; therefore, avoiding breakdowns and long-term out of service situations. He said to do so would be an improvement to the public safety system.

Chief Fullingim said Fire Station No. 5 is currently located one mile west of Norman's eastern city limit border and the City of Norman currently has a mutual aid agreement with Little Axe Volunteer Fire Department on the eastern border; therefore, there is fire protection throughout the City. He said moving Fire Station No. 5 to a more central location in rural Norman will better serve the entire community. Currently property located at 132nd Avenue S.E. and Highway 9 is a possible relocation site for Fire Station No. 5. Chief Fullingim said the current Fire Station No. 5 has been in existence since late 1970 and was originally part of the Little Axe Community Center, but has since tripled its original size thus expanding into the Community Center.

Chief Fullingim said he has been asked how the EOC can work with or without the Dispatch Center stating he felt it is more efficient to keep both operations, all the equipment, and Staff, etc., in the same facility in case of a natural disaster and it makes more sense to consolidate the two.

Mr. J.D. Younger, Major, Norman Police Department said the City Radio Communications System is a critical part of emergency services and is how police, fire, and animal welfare staff receive information from dispatchers. He said it is also very critical during a major incident for the radio system to allow communication with other communities. Major Younger said there are limited resources and/or companies that provide the type(s) of emergency radio equipment and technology needed. He said Staff has researched other benchmark cities regarding the communication systems they utilize as well as the cost(s) for their systems. He said the City's current radio system will be obsolete by 2018 and replacement or repair parts will not be available and it will not be possible to enhance the current system. Major Younger felt the installation of a new City radio communications system is a top priority and should be done as soon as possible. He said Staff has done considerable research regarding the emergency communications systems to include:

- Benchmark survey comparison with 29 cities of similar size;
- Considerable Staff knowledge "in-house" that reached out not only to the benchmark cities but technical peers within the industry, municipalities and private, for input on emergency communications systems;
- Staff reached out to the two major vendors who occupy approximately 90% of the emergency communication systems market, one of which is the City's current provider, and both provided information for similar cities regarding recent upgrade plans they have completed;
- Staff researched system deployments, e.g., number of radios being used, mileage being covered, etc.; and
- Staff has real numbers from two (2) similar sized cities which have replaced their emergency communications systems within the last three (3) years.

Mayor Rosenthal asked Staff to explain who drafts the ballots and whether or not there are enumerated uses in the ballot. Mr. Jeff Bryant, City Attorney, said the proposed PSST II ballot is identical to the PSST I **except** for the following changes:

- Removing the 41 Police officer positions and the construction of two fire stations; and
- Adding the SRO officers, vehicle maintenance, emergency personnel, and dispatch personnel.

Mr. Bryant said the City Attorney's office will draft the proposed ballot language for the PSST II and his Staff will consult with the Bond Counsel in Oklahoma City. He said Council has discussed some type(s) of revenue bonding in order to accomplish capital improvements more quickly; therefore, Staff will want the opinion of the Bond Counsel regarding whether the language is acceptable since they sell bonds to the bond market. Mr. Bryant said Staff does not like drafting ballots on the fly; however, this particular discussion has been going on for a couple of weeks and there are several drafts Staff has been working on. He said Staff will respond and follow Council's direction regarding the ballot language so the City can move forward with the PSST II proposal.

Mayor Rosenthal requested Staff address transfer(s) to the Rainy Day Fund and the 911 Dispatch Function and Mr. Anthony Francisco, Finance Director, said Council directed Staff to make a one-time transfer to the General Fund to offset the cost of the additional burden placed on the Dispatch Function by the additional public safety fire and police officers funded by the PSST I. Mr. Francisco said the transfer was based on a pro-rata portion of personnel funded with PSST I and the one-time transfer to the General Fund was approximately $350,000. He said Council is proposing that transfer would continue in PSST II.

Mr. Francisco said on June 28, 2011, Council adopted Ordinance No. O-1011-58 establishing Rainy Day Fund requirements - a General Fund Operating Reserve of at least 3% of operational reserve in the General Fund; General Fund Emergency Reserve to have a minimum of 2% annually budgeted expenditures in the General Fund; and creation of a Net Revenue Stabilization "Rainy Day Fund." He said Ordinance No. O-1011-58 also mandated a balance of at least 3% of the General Fund expenditures be set aside in the Rainy Day Fund within three (3) years of adoption. As Council deliberated on the budget for this fiscal year; part of the discussion included the public safety portion (the police and fire department portion) of the City's General Fund budget which is approximately 48.9% of the total. Mr. Francisco said Council's direction was that PSST I make a contribution to the Rainy Day to offset the public safety portion of that required and mandated Rainy Day Fund minimum balance. He said Council has discussed bringing the Rainy Day Fund balance to its targeted 4.5% level which is included in the proposal for PSST II.

Councilmember Miller asked Anthony to highlight the 3/8% proposal. Councilmember Kovach said if the City decides to go with a 3/8% permanent tax, could capital needs be done with General Obligation Bonds? He asked about using Capital Funds freed up from the passage of the 2012 General Obligation (GO) Bonds and asked the amount of the annual capital budget?

Councilmember Castleberry said economic development is needed but has nothing to do with PSST. He felt the general services for the City are underfunded and a 3/8% revenue would cover salaries in General Fund and 1/8% placed in a special PSST Fund would cover costs for capital projects. Councilmember Castleberry is concerned about amending the proposal "on the fly" and rushing it through for an April election. He felt an August election would still keep the promise to hold the election in year six (6) and opposed making amendments on the fly.

Items submitted for the record

1. PowerPoint presentation entitled, "Proposed Public Safety Sales Tax Renewal Public," dated January 21, 2014

Participants in discussion

1. Mr. Steve Lewis, City Manager
2. Mr. Anthony Francisco, Finance Director
3. Mr. Keith Humphrey, Police Chief
4. Mr. James Fullingim, Fire Chief
5. Mr. Jeff Bryant, City Attorney
6. Mr. Stephen Ellis, Ward 4, asked the percentage just for salaries under 1/2% scenario. How much would be needed to cover everything? Could the sales tax be repealed after approval by the voters or would it have to be voted on again? Concerned if the election is delayed the package may change.
7. Ms. Sandra Stayton, Elementary Principal at Little Axe Schools, said she is interested in the School Resource Officer (SRO) Program and asked whether Little Axe could be included. She asked if there was anything the Superintendent and/or parents needed to do in order to be included in the SRO Program.
8. Mr. Clint Williams, Ward 2 Candidate, asked the procedure to change the proposal to a permanent tax. He has heard from public safety personnel the desire to have assurance the funding will be there in the future.
9. Ms. Mary Francis, Ward 7, said she is pleased with the additional opportunities for public input and is opposed to a temporary tax. She supports a permanent tax and an April 2014, election.

Participants in discussion, continued:

10. Mr. Robert Wasoski, Fraternal Order of Police (FOP) President, said he would like the tax to be permanent and said the City will face challenges as Norman grows.
11. Mr. Harold Haralson, Ward 3, asked how many school districts are in Norman and how many additional officers would be needed to cover the other districts? He said attrition levels have not kept up with projections and the City would need to protect the funding for public safety if the tax is made permanent.
12. Mr. Sean Rieger, Builders Association South Central Oklahoma (BASCO), opposes the use of temporary funds for permanent positions and supports delaying the vote until the community determines what package is needed. He would like a study session on proposed amendments before the meeting and not amending on the fly. Encouraged economic development programs to grow general revenue streams.
13. Mr. Ted Metscher, Ward 5, felt a temporary tax is unfair to non-uniform workers and supports a permanent tax; however, something needs to be done about the Reduction in Force (RIF) process.
14. Ms. Ann Gallagher, Ward 1, supports waiting so that specifics are lined out. Concerned voters will see it as a new tax instead of an extension. Supports permanent tax - concerned the City will lose good officers with temporary tax.
15. Ms. Jayne Crumpley, Ward 4, said there have been a lot of proposals submitted tonight and they need to be explored. She supports public safety but is uncomfortable with the particulars and a temporary tax. She felt the City needs to look at all options.
16. Mr. Fred Pope, Ward 5, said public trust is in question and the details appear to be a bait and switch. He felt officers are being used as pawns to get sales tax passed and the City should start over and regain citizen confidence. Mr. Pope said the tax should go into the General Fund in a transparent way.
17. Mr. Jerry Lang, Ward 6 Candidate, asked how many times Council has amended a ballot proposal. He was concerned too many amendments will cancel one another out and Councilmembers need more time to debate and get input from constituents.
18. Mr. Roger Gallagher, Ward 1, said Dr. Siano, Director of NPS, has expressed satisfaction with their current program but is looking for more coverage. Need more details from NPS on agreement, i.e., funding ratio. Concerned about broad language in ballot title "any other lawful purpose" – needs to be enumerated to show voters where the money is going. He felt freed up capital from passage of GO Bonds could go toward the capital needs. Need to know a better cost. Opposes transfer to Rainy Day Fund and supports a permanent tax. Regarding E911 - Council can raise fee charged on phone bills to the maximum. He does not support transfer from PSST to E911. Suggested the University of Oklahoma (OU) augment fire support as CON provides fire service to OU. He felt more time is needed to have a ballot that is precise and he supports an August election with a permanent PSST tax.
19. Ms. Joy Hampton, *The Norman Transcript*, wondered if Norman does grow enough to need another fire station in 10-20 years, where would the funding come from if PSST is made permanent? She said the current proposal does not include any new firefighters.
20. Mr. David Perry, Ward 6, asked the cost(s) for the individual radio units and how many units will go to public safety, as well as the number of units that will go to other City departments. He asked for the City's backup plan and suggested a backup plan be established. Mr. Perry asked whether the $15 million for a communication system included a consultant study.
21. Dr. Cindy Rogers, Ward 4, spoke to the debate of permanent versus temporary tax and asked if anyone is guaranteed a permanent job for life? She also asked about a specific fund vs. General Fund? Percentage of 1/2% that goes to salary and how much to capital?

Participants in discussion, continued:

22. Mr. Andy Sherrer, Ward 2, said he has heard unanimous support for public safety; however, there are details and questions that need to be addressed. He encouraged Council to put forth a proposal that all nine can agree on and if more time is needed, take the time to do so.
23. Mr. Bill Hickman, Ward 4, asked whether the City of Norman provides fire services to OU and if so, is it through an agreement? He asked if OU has been asked to participate or contribute towards those costs.

The meeting adjourned at 9:07 p.m.

ATTEST:

Brenda Hall
City Clerk

CITY OF NORMAN CORPORATE SEAL OKLAHOMA

Cindy Rosenthal
Mayor