

CITY COUNCIL CONFERENCE MINUTES

June 28, 2016

The City Council of the City of Norman, Cleveland County, State of Oklahoma, met in a conference at 5:35 p.m. in the Municipal Building Conference Room on the 28th day of June, 2016, 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 24 hours prior to the beginning of the meeting.

PRESENT: Councilmembers Allison, Castleberry, Heiple, Holman, Jungman, Karjala, Lang, Miller, Mayor Rosenthal

ABSENT: None

Item 1, being:

PRESENTATION FROM ARCHITECTURAL DESIGN GROUP, INC., (ADG) REGARDING THE IMPLEMENTATION PLAN FOR THE PROJECTS TO BE FUNDED BY REVENUES COLLECTED FROM THE NORMAN FORWARD TEMPORARY SALES TAX.

Mr. Steve Lewis, City Manager, said City Council approved Contract K-1516-110 with Architectural Design Group, Inc. (ADG) on February 23, 2016. He said the contract includes two parts and the first part, i.e., provides program services, includes Norman Forward (NF) oversight review of cash flow, reporting, budgeting, schedule management, and contract review. Mr. Lewis said the second part of the contract provides project specific services for NF projects, includes projects such as the Westwood Family Aquatic Center (WFAC) and the East and Central Libraries which consist of outreach and program responsibilities.

Mr. Lewis introduced Mr. Kyle Lombardo and Mr. Mike Mize, both with ADG, who would be presenting the NF Implementation Plan (Plan) tonight.

Mr. Mize said ADG has been working very closely with Staff to develop this important Implementation Plan for the City and commended Staff for being so cooperative and helpful making the process smoother. He highlighted the program goals for the Implementation Plan as follows:

- Deliver projects on time;
- Deliver projects within budget;
- Meet community expectations;
- Communicate effectively; and
- Maintain voter confidence in Norman Forward.

Mr. Mize said the Plan is a tool ADG has used before and is a key step for a successful program. He said an implementation plan gives ADG an opportunity to communicate the overall strategy for the budget and schedule as well as give summary information for individual project(s) while setting and/or meeting expectations for both Council and the community.

Mr. Lombardo said the Plan is a *living* document in that it allows the City to continually maintain and/or control the expectations because the Plan is updated from time to time. He highlighted the guiding principles stating ADG will determine information within the NF Plan and cash flow is key, i.e., time equals money. He said cash flow will have an effect on the timeline(s), budget(s), and project(s) of the overall program. The revenue collection of sales tax will have an effect on the Pay-Go projects and in turn have a direct effect on the timing and budgets. Mr. Lombardo said another example is the Revenue Bond funds have a specific window of time that the money must be spent on the project(s) that they are allotted for. Mr. Lombardo said project order (community interest and available funds); management/staffing capacity; flexibility; and realistic expectations are all important and guiding principles as well.

Mr. Lombardo highlighted the format of the Implementation Plan stating it consists of a narrative description of overall programs, i.e., executive summary; background; project summaries; project timelines; conclusion; and additional information. He focused more on the project summaries and said the summaries include the description, scope, published program budget, preliminary estimated budget, and timing. Mr. Lombardo said the budget(s) on the project summaries include land acquisition; site preparation; infrastructure; architecture and engineering; design; testing; construction; furniture; fixtures and equipment; and project contingency.

Mr. Lombardo said other projected program expenses include operating expenses, equipment, additional staff, interest and debt service, and public art. He said the intentions are to communicate that these budgets are more than just the cost of the land and the cost of construction, but rather the overall costs included in NF budgets to ensure that when the City is ready to move into and/or utilize new constructed facilities, the project will be completed in full.

Mr. Lombardo said the goal is to create the project order within the constraints of the funding structure. He said decisions yet to be made will impact the timeline for some projects and budget. Other factors which can impact the timeline include sales tax revenue; fluctuations; project scope change; inflation, or other unforeseen circumstances. Mr. Lombardo said he anticipates further review, re-evaluation and amendments by Council throughout the process.

Mr. Mize said the timeline is very closely coordinated with schedules that the Finance Department has put together with respect to anticipated collections of revenue so that there is money available to pay for a particular project before the City commits to that project.

Mr. Lombardo said the Implementation Plan was developed with the information received from the voters, public comments, stakeholders, City Staff, and specialized input. He said an initial draft was prepared and comments were gathered again from City Staff, consultants, cost estimators, and the Citizens Financial Oversight Board. Mr. Lombardo said a final review, comments, and formatting were completed by City Staff and is now being presented for Council review.

Councilmember Lang said there are quite a few neighborhood parks that do not begin pre-construction until 2018 and asked whether there will be an opportunity for each neighborhood to comment on their neighborhood park. Mr. Lombardo said yes, every project will have an element of outreach.

Councilmember Holman asked about the Westwood Family Aquatic Center (WFAC) operating subsidy of \$2.1 million and if the City was going to collaborate with Norman Public Schools and the YMCA. Mr. Lombardo said the annual operating subsidy is \$75,000 and the 12 year total operating subsidy is \$2.1 million.

Councilmember Allison asked whether there would be an opportunity to bid the WFAC indoor aquatics center with the indoor multi-sport facility in order to gain budget savings and also to complete the projects quicker since they are in the same vicinity. Mr. Anthony Francisco, Finance Director, said there was some concern with the timing of the two projects and once the indoor volleyball/basketball project was completed, the indoor aquatics would be constructed where the current parking lot is located. He said there is some overlap of the projects in order to construct the parking lot. Mr. Lombardo said it is possible to re-align the two projects to allow more savings and that will be dependent upon cash flow. He said some of the sequencing of the projects has to be staggered because the projects are connected in terms of parking, etc.; however, ADG will definitely look at the variables of each individual project. Mr. Mize said the Implementation Plan timeline has been structured based on the available cash. He said there have been conversations regarding this very issue and should anything change with respect to the cash flow to allow re-aligning the projects ADG will certainly do so.

Councilmember Castleberry asked where the City is on the land acquisition for the WFAC and Griffin Park Flag Football projects. Mr. Jeff Bryant, City Attorney, said Staff is working on an agreement with the Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS) on acquisitions for Griffin Park and Sutton Wilderness Park for the Flag Football project. He said there is another portion of land owned by ODMHSAS located next to the proposed Flag Football project that could be utilized for the Baseball/Softball project and Staff is also working on land acquisition. Mr. Bryant felt the land acquisitions for the proposed Football and Baseball/Softball projects will be completed by the end of this summer for Council consideration. He said long term lease discussions have been held regarding a portion of land adjacent to the YMCA for the proposed WFAC project as well as the Indoor Multi-Sporting Facility project; however, those discussions are in the preliminary stage.

Councilmember Castleberry felt the Indoor Multi-Sport Facility should be one of the first projects completed because it will generate revenue and help assist completion of some of the other NF Projects.

Councilmember Holman asked if there were any updates on the Senior Citizens Center and Mr. Bryant said the Senior Citizens Center has been narrowed down to three sites, the current library, Andrews Park site, and land adjacent to the new Library (L4) site. He said Council requested Staff collect additional information on all three sites including a broad appraisal of what it might take to acquire the apartment complex located north of Acres Street. Mr. Bryant said once all the requested information has been compiled Staff will bring the update back to Council for discussion.

Councilmember Allison asked how much funding the City would be getting from the Association of Central Oklahoma Governments for the James Garner Extension Project and Mr. O'Leary said the NF total allocation for the project is \$6 million; however, Staff believes Norman may receive approximately \$3 million in federal transportation funds. Mr. O'Leary said if this happens the remaining \$3 million can go towards another NF project.

Councilmember Lang asked if the City should encounter savings on any of the NF projects could those funds go towards the future Senior Citizens Center (SCC) and Mr. Francisco said the calendar would not change; however, the budget would change. Councilmember Lang said the SCC is currently not on the NF projects calendar schedule and the Implementation Plan reflects the City is spending the full budgets. Mr. Bryant said that was an excellent question since the Implementation Plan is a living document and there are pieces of the Plan that the City will have no control over. He said as everything within the Plan begins falling into place, Staff will inform the Citizen Financial Oversight Board (CFOB) and Council providing updates regarding any new information for guidance on whether there is a desire to modify the Implementation Plan.

Councilmember Castleberry said the Implementation Plan is a timeline as to when the NF projects will be completed rather than a financial timeline and Mr. Lombardo said that is correct; however, the completion of the NF projects are based very closely on the availability of funds. Councilmember Castleberry said he would like to see the Plan include actual numbers, i.e., what funds are predicted to be collected as well as the amount(s) proposed to be paid out for each project. Mr. Francisco said the bond financed projects are being utilized for the up-front construction of the larger projects such as the WFAC and East Branch Library. He said the timeline as it relates to the "pay as you go" projects is based on cash flow and there is some science to how the City would be able to afford projects; however, until the funds begin coming in the exact science will not be known. He said as the neighborhood park projects come forward, the pre-construction schedule in the Implementation Plan would include the neighborhood park meetings. He said the neighborhood park meetings could begin as soon as next month so citizens would be aware of what is proposed for their neighborhood park and there may be enough cash flow to begin one or two neighborhood park projects per year beginning FYE 2017 or FYE 2018.

Mr. Lombardo said the cash flow projections will be adjusted accordingly when actual bid calculations are received rather than the estimates now proposed in the Implementation Plan.

Mr. Bryant said CFOB has also requested the cash flow projections and as more detailed information comes forward ADG and Staff will submit updates to Council. Councilmember Castleberry said he has completed a preliminary timeline on his own and Mr. Bryant encouraged him to share it with ADG and Staff.

Councilmember Karjala asked whether Staff had any status updates regarding the land acquisition for the Canadian River Park and Mr. Bryant said that is still in litigation.

Mayor Rosenthal said the SCC may not be listed in the NF Plan; however, it is a priority. She said the ordinance adopted with NF indicated two sources of potential funding for a SCC; an existing bond authorization from 2008 and NF funds. Mayor Rosenthal said a lot depends on the site which is very critical when determining the funding.

Councilmember Holman said the 2008 bond language states the funds must be utilized to remodel/reconstruct a building in the City of Norman Municipal Complex. He said when the new Central Branch Library is completed a new SCC could be constructed in the current library; however, senior citizens have told Council that is not their desire. Councilmember Holman said if the 2008 bond funds cannot be used, the City will need to determine the funding source for a new SCC. He

felt the NF budget could look a lot different over time since it is a living document and will also reflect savings if/when federal funds are secured for some of the NF projects.

Items submitted for the record

1. Norman Forward Implementation Plan, June 2016
2. PowerPoint presentation entitled, "Norman Forward Implementation Plan Summary," dated June 28, 2016, presented by ADG

The meeting adjourned at 6:18 p.m.

ATTEST:



City Clerk



Mayor

