

CITY COUNCIL CONFERENCE MINUTES

November 27, 2018

The City Council of the City of Norman, Cleveland County, State of Oklahoma, met in a conference at 5:10 p.m. in the Municipal Building Conference Room on the 27th day of November, 2018, 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 Bierman, Castleberry, Clark, Hickman, Holman, Scott, Wilson, Mayor Miller

ABSENT: Councilmember Carter

Item 1, being:

CHANGE ORDER NO. ELEVEN TO CONTRACT K-1617-83: BY AND BETWEEN THE NORMAN MUNICIPAL AUTHORITY AND FLINTCO, L.L.C., INCREASING THE CONTRACT AMOUNT BY \$277,298 FOR FABRICATION AND INSTALLATION OF THE PUBLIC ART PIECE FOR THE NORMAN FORWARD CENTRAL LIBRARY PROJECT.

Mr. Terry Floyd, Development Coordinator, said this art project has been a team effort between the City of Norman, Norman Arts Council (NAC), Flintco, L.L.C., (Flintco), and Meyer Scherer & Rockcastle, LTD (MSR). He said NAC has partnered for many years with the City on projects to install art in public places within Norman. Through this partnership, NAC purchases the art pieces and the City provides a location within public spaces owned by the City and funding for the public art comes from the Art in Public Places Fund in the Capital Fund (CF) and more recently from the NORMAN FORWARD Fund.

With the adoption of NORMAN FORWARD, the City committed to expend an amount not-to-exceed 1% of the aggregate construction costs of major facilities and community parks improvements cost on public art at those major facilities and parks. Because of the City's positive relationship with the NAC and NAC's commitment to the sense of community fostered by public art, NAC has agreed to expand the partnership with NORMAN FORWARD Sales Tax (NFST) revenue.

In June 2018, Council approved Contract K-1718-137 with Kirkpatrick, Forest, and Curtis (KFC) for design of the art piece and collaboration with the selected artist, Paul Cocksedge Studio, on the construction and installation. Additional engineering services and construction administration from KFC were required to ensure the piece is properly installed and affixed to the library building superstructure. The total cost of this contract was \$113,500 with \$21,500 attributable to KFC's costs. The artist's costs will be paid over five payments with final payment upon final acceptance by City Council. The art piece is proposed to be completed and installed no later than June 15, 2019. In addition, prior to implementing any changes to the sculpture, the artist is required to obtain final approval from Council.

On April 25, 2017, Council entered into Contract K-1617-83 with Flintco for the construction of the Central Library and due to the selected public art piece being a fixture of the building and Flintco's expertise in constructing similar art pieces affixed to building structures, it was determined the best

Item 1, continued:

method for the fabrication and installation of the art piece was through a change order to the Flintco contract. He said this additional cost will be paid from the NFST. Change Order No. Eleven to Contract K-1617-83 in the amount of \$277,289 will provide for the fabrication and installation of the public art piece.

Ms. Erinn Gavaghan, NAC Executive Director, said the artist (one of three finalists) is from London, England, and visited Norman for a site review when the Central Library was just an open shell. He was very interested in Oklahoma's open skies and landscape as well as the community's investment in two libraries. The sculpture is pages of paper being lifted into the wind and is still untitled. The art piece is 47 feet tall and each piece of paper is mapped out on a grid that consists of 264 connected pieces of powder coated aluminum.

Ms. Gavaghan said the art piece connects paper as an invention that changed the course of human history and pays homage to the million pieces of paper that will be in the library itself, but also emphasizes our changing relationship with paper. The tangibility of turning a page has always been at the heart of learning, but as we become more electronic, there is nostalgia to the art piece as well and the library is the perfect location. She said during the selection process, the architecture firm, designers, and NAC became invested in the design because it is so unique (there is not one like it in the United States) and fits so well with the overall design of the building.

Items submitted for the record

1. PowerPoint presentation entitled, "City of Norman Change Order – Contract K-1617-83," City Council Conference dated November 27, 2018
2. Text File K-1617-83, Change Order No. One, dated November 16, 2018, by Terry Floyd, Development Coordinator
3. Change Order No. Eleven to Contract K-1617-83
4. Change Order Request from Flintco dated November 15, 2018, in the amount of \$277,298 with Flintco Self-Perform Total and Subcontractor Total and Flintco Self-Perform Cost Breakdown
5. Cost proposal from Matherly Mechanical Contractors, L.L.C., dated October 10, 2018, in the amount of \$158,450
6. Cost proposal from Great Plains Rebar dated October 31, 2018, in the amount of \$1,800
7. Cost proposal from Shawnee Fabricators, Inc., dated November 5, 2018, in the amount of \$380.63
8. Cost proposal from Prime Electric Co. dated November 22, 2018, in the amount of \$20,939.62

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Item 2, being:

CHANGE ORDER NO. TWO TO CONTRACT K-1819-1: BY AND BETWEEN THE CITY OF NORMAN, THE NORMAN MUNICIPAL AUTHORITY, AND CENTRAL CONTRACTING SERVICES, INC., INCREASING THE CONTRACT AMOUNT BY \$16,393.47 FOR A REVISED CONTRACT AMOUNT OF \$1,563,869.47 TO COMPLETE THE RECYCLING PAD AT THE EAST NORMAN RECYCLING CENTER AS PART OF THE URBAN CONCRETE PAVEMENT STREET MAINTENANCE BOND PROGRAM CONTRACT.

Mr. Ken Komiske, Director of Utilities, said Contract K-1819-1 with Central Contracting Services, Inc., in the amount of \$1,451,515 was approved by Council on July 24, 2018, for the Urban Concrete Pavement Street Maintenance Bond Program, FYE 2019 locations. Due to the favorable concrete prices, the Norman Utilities Authority (NUA) requested Change Order No. One in the amount of \$95,961 be added to construct a paved area for the East Norman Recycling Drop-Off Center located at 7405 East Alameda near Fire Station No. 9 and the East Branch Library.

Item 2, continued:

Change Order No. Two in the amount of \$16,393.47 will reconcile estimated project quantities to as-built quantities for the recycling center and add new items of work that includes placement/grading of gravel subgrade for concrete pad; installation of railing on top of retaining wall and french drain behind wall; installation of concrete structure and piping to existing rip-rap flume; installation of drain piping crossing the fire station driveway to eliminate year round wet areas at entrance to recycling center; and hauling and placement of mulch from compost facility to stabilize the drainage swale side slope north of the recycling pad.

Items submitted for the record

1. Text File K-1819-1, Change Order No. Two, dated November 13, 2018, by Chris Mattingly, Capital Project Engineer
2. Change Order No. Two to Contract K-1819-1

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Item 3, being:

CONTINUED DISCUSSION REGARDING A STORMWATER UTILITY AND CAPITAL BOND PROGRAM.

Ms. Amanda Nairn, Stormwater Citizen Committee Co-Chair, said the Stormwater Citizen Committee (Committee) was established by Council on April 25, 2017, and includes sixteen (16) members representing every Ward and four (4) Council liaisons. He said the Committee met every two weeks from May 15, 2017, to January 22, 2018. On October 23, 2018, the Committee provided Council with the results of their public input report and at Council's direction, reconvened on November 13, 2018, to consider changes to the Capital Improvement Project (CIP) Program and discuss next steps for stormwater program funding.

Item 3, continued:

Ms. Nairn said there was unanimous consensus from the Committee to support changes to the CIP list and the Committee felt strongly that a Stormwater General Obligation (GO) Bond and Stormwater Utility (SWU) fee be on the same ballot in April. She said if it is not the will of Council, the Committee would at least like to have the Stormwater Bond on the ballot with the SWU at a later date. The Committee is requesting direction from Council on ways to improve the acceptability of the SWU fee structure. She said one of the Committee's earlier recommendations was a \$59 million General Obligation (GO) Bond package proposed for 33 of the 60 projects identified as city-wide infrastructure projects for flood mitigation. She said there is an estimated budget need of \$7.4 million for a water quality related stormwater program with revenues proposed to come through a SWU. Proposed recommendations for the utility fee will generate \$4.5 million to add to the \$3.1 million currently provided by the General Fund (GF). She said the Committee is recommending a \$6.25 flat fee for residential property owners with a 30% credit for low income customers and a tiered fee based on parcel size for non-residential.

Mr. Andy Sherrer, Stormwater Citizen Committee Co-Chair, said the Committee was very respectful of the links each Councilmember has to his or her ward, but the Committee based their recommendations on a stormwater mitigation perspective so any clear direction Council can give the Committee before they meet again on December 2nd would be appreciated.

Ms. Nairn highlighted the direction the Committee is seeking as follows:

- Are one of the Committee's proposed options acceptable?
- If none are acceptable in current form, is flat fee or tiered rate preferred?
- If a tiered rate is preferred, are more or less tiers for residential and/or non-residential properties preferred?
 - What calculation basis should the Committee use for a revised rate structure proposal?
- Should the rate structure fully fund a \$7.54 million program, partially fund a \$7.4 million program with utility and GO. funds, or fully fund a smaller program?
 - If fully funding a small program, which proposed services would the Council wish to cut?

Councilmember Wilson said she is afraid that putting the Stormwater Bond and SWU on the same ballot as the \$72 million Transportation Bond Program would jeopardize the Transportation Bond Program due to the volatile nature of the conversation that happens around stormwater.

Councilmember Bierman said she goes back and forth on whether or not the Stormwater Bond and SWU should be on the same ballot, but does think there is something appealing to the idea of a large vision with a slate of projects. At the same time, there is a part of her that feels stormwater carries a lot a baggage and she does not want to unnecessarily harm the chances of a transportation bond because of how controversial stormwater seems to be.

Mr. Sherrer asked when it would be a good time for a SWU. What would it take to actually get a SWU, a historic flood like what happened in Houston, Texas? He said the City has the ability right

Item 3, continued:

now to do something that is unique with an infrastructure vision package. When would the time be if not now?

Councilmember Clark said she campaigned in 2016 on a stormwater solution, which the City does not have yet. She thinks the City has a wonderful proposal through a citizen based solution to a community wide problem and she is ready to move forward on that. She has heard many Norman residents saying that if the City does not put stormwater first they will not support transportation projects so that is a double edged sword. She said the time is well past due and she likes the packaging marketing opportunity of doing something Council knows needs to be done and sees no reason not to combine them. She fully supports an infrastructure package for Norman in terms of transportation and stormwater in April.

Councilmember Scott supports putting everything on an April ballot. She said polling data reflects that voters are more likely to support a combined package of infrastructure for stormwater and transportation as well as a SWU.

Councilmember Castleberry said he supports putting the stormwater bond and transportation bond on the same ballot in April, but does not support a utility fee on the April ballot. He said in the next couple of months the City is proposing to end the University North Park Tax Increment Finance (UNPTIF) District, which will put \$4 million annually into the General Fund (GF) and once that is done, it will be hard to explain to the public why the City needs a SWU. He understands the need for the SWU, but the City needs more time to educate the public on why a SWU is needed and what the \$4 million from ending the UNPTIF will be spent on so the SWU should be a fall vote.

Councilmember Holman said he supports putting the transportation bond and stormwater bond on the same ballot because they both deal with needed infrastructure projects. He said the City is proposing to do \$60 million in capital improvement projects and the SWU is how the City plans to fund the maintenance of that infrastructure so he has a lot of heartburn about investing millions of dollars in infrastructure without being sure how the City will pay to maintain it moving forward. At the same time, he is not extremely confident the City will agree on a SWU rate by the January 8, 2019, deadline for an April election.

Councilmember Scott understands the perception of the money coming from the UNPTIF, but one of the things hurting the GF is subsidizing stormwater so the City absolutely needs a SWU. She said the City cannot keep delaying the SWU because it is hurting the City and there are other important priority needs for the UNPTIF funds.

Councilmember Clark said the average resident may not be following what is happening with ending the UNPTIF, but the average citizen that votes will see a stormwater bond on one ballot and a SWU on another ballot and they are going to think they have already voted for stormwater, so why are they voting again. She said by separating them the City is committing the SWU to a sure death unless they are voted on so far apart they cannot be confused with each other. She said there are personnel positions Council has requested that cannot be funded so the City needs money for those positions and a SWU. She agrees with Councilmember Holman that the City needs the means to maintain the millions of dollars of infrastructure the City is about to invest in the community.

Item 3, continued:

Ms. Nairn said she understands it could be confusing to citizens to vote twice on stormwater, but in another year the City may be looking at a water rate increase and she feels there would be more confusion between water and stormwater so that could jeopardize a water rate increase in the future.

Councilmember Wilson said the number one pushback from rural residents is they feel they do not receive anything for this fee. She said roadway and flooding mitigation infrastructure projects are okay with them, but they would not approve a SWU. If the City could figure out a way to minimize the financial impact to agricultural areas east of 48th Avenue east then she could probably support any fee structure Council wants.

Councilmember Clark said she would support 48th Avenue east being the boundary for a lower utility rate. She said an interesting dichotomy of our community is rural versus urban and Council needs to be mindful of that and she is willing to have that discussion.

Councilmember Wilson said residents in rural areas already have a huge expense for things the City does not provide to them, but provides to the rest of Norman so when talking about a SWU the City is talking about manmade infrastructure that needs to be maintained. She said the rural area is already holding a lot of baggage for the protection of the watershed because they cannot develop in ways that urban areas can develop, i.e. only one house per ten acres.

Ms. Nairn said in the open house meeting at Little Axe, stormwater needs for rural areas was a big discussion, but when residents were told the SWU would pay for additional maintenance crews they liked that idea. She said the idea is to have maintenance crews that service specific regions of Norman and Ward Five would have its own maintenance crew, which people were excited about.

Mr. Sherrer said the intent of the flat fee was to show the tiered rate has more opportunities for feelings of fairness.

Mayor Miller asked Mr. Shawn O'Leary, Director of Public Works, what type of utility fees other communities in Oklahoma charge, flat or tiered, and Mr. O'Leary said there are over 25 utilities in Oklahoma and the movement in the last ten to fifteen years has been to the simpler flat fee because it is easier to understand and easier to sell to citizens. Ms. Nairn said Oklahoma City has a flat fee based on the size of the water meter needed, but water meter size has nothing to do with stormwater and stormwater runoff.

Councilmember Hickman said the Committee suggested Alternative A, which was a proposal for a \$5.00 flat fee and that aligns with the City's \$5.00 flat rate for its sewer maintenance fee. He suggested a lower fee of \$3.50 for low income and senior citizens.

Councilmember Castleberry said the SWU should be a fully funded stand-alone Enterprise Fund with no subsidy from the GF. He said fundamentally, if the City is going to have a SWU, the utility should be set up properly to pay for itself just like any other Enterprise Fund. He said the City cannot continue to subsidize \$3.5 million from the GF for stormwater needs. He does not think a SWU will pass regardless of how it is set up and that is why he does not want to couple it with transportation and stormwater bonds.

Item 3, continued:

Ms. Nairn said the SWU will pay for maintenance of the proposed capital project infrastructure, but the City is already years behind on maintenance of existing infrastructure. She said the City is not doing a good job (although the City is trying) of maintaining its existing infrastructure and pipe systems underground that no one sees, but the City is also not maintaining its creeks and streams that touch every part of the City. She said that is detrimentally affecting not only Lake Thunderbird, but the Canadian River as well.

Councilmember Clark agreed and said residents are complaining of sink holes in their back yards due to pipes that have never been maintained and there are Home Owner Associations (HOAs) that need help with their retention and detention ponds. She said this needs to be addressed now, not later, and there will never be a perfect solution.

Councilmember Castleberry said a flat fee is not equitable and fair. He totally supports a SWU, but is concerned about the ability to get it passed. He said the SWU vote failed once and if it fails a second time, what message does that give Council? Does Council try a third time or do they come to the realization that residents do not want a utility fee?

Councilmember Scott said the flat rate is simple, but community input has shown residents do not think it is equitable. She would like to do another poll because she believes residents would support a fair tiered fee versus a flat fee.

Councilmember Bierman understands the fundamental issues of fairness with tiered versus flat fee and the City does have other fees that are flat fees regardless of consumption. She prefers a tiered approach, but if it is the will of Council that a flat fee is the way to go that will fit firmly in line with other existing utility rates then she is okay with that.

Councilmember Holman agrees with Councilmember Bierman and said because Norman requires a vote on utility rates, his concern is if stormwater is not fully funded from the beginning, it probably never will be.

Mayor Miller said during the 23 public meetings, it was overwhelmingly clear that citizens would support \$4.3 million for stormwater, but would not support the additional \$3.1 million currently funded by the GF.

Mr. O'Leary said most communities across the nation have a subsidized stormwater system, so the notion of a subsidized Stormwater Enterprise Fund is very common across the country.

Ms. Nairn said the SWU will address the mandates by the Oklahoma Department of Environmental Quality (ODEQ) as well a water quality in Lake Thunderbird and the clock is ticking on the mandates.

Councilmember Hickman said flooding has caused road closures and damage to infrastructure all over Norman so stormwater needs to be looked at as a community issue. He said part of the stormwater solution for any project or development is to put water into the street and as a result roads and bridges have washed out and streets flooded. He said just because Ward Four has more roads, is

Item 3, continued:

more developed, and is denser, it is not fair to make citizens who live in Ward Four pay more. He felt rates should be the same for residential and non-residential and if a flat fee of \$5.00 is considered to be more equitable in the context of roads being a part of the infrastructure then that is worth discussing. He said a flat fee of \$6.25 is dead on arrival, but the \$5.00 fee might be more palatable because it aligns with other fees the City charges. He said early on in discussions he was a strong advocate of having the bond and SWU separate, but he is now willing to be more open minded; however, he worries that if the SWU and Stormwater Bond are not together it will be more difficult to pass a SWU on its own later on. He is reluctant to put anything on a ballot until the City has an actionable plan, land and money, for the Senior Center, which he feels is critical from a public trust standpoint and Councilmember Castleberry agreed.

Councilmember Bierman said whatever is decided she wants to make sure the proposal has a comprehensive and aggressive education and outreach strategy to include television ads, newspaper ads, website information, social media, utility inserts, etc.

Councilmember Holman would like more information about the scope of Lindsey Street Project between College Street and the OU Duck Pond since that has been moved to be part of the Transportation Bond Program.

Councilmember Clark asked if Ms. Annahlyse Meyer, Chief Communications Officer, could begin working on social media polling and Mayor Miller said she will talk to Ms. Meyer about that.

Mr. Sherrer said the Committee will not reconvene on Monday, but will wait to hear what Council wants the Committee's next steps to be.

Items submitted for the record

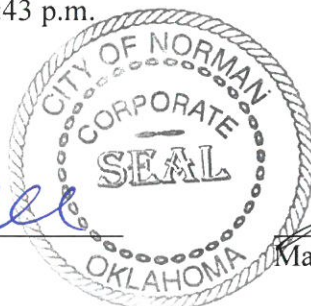
1. PowerPoint presentation entitled, "City of Norman Stormwater Citizen Committee Stormwater Utility Discussion," City Council Conference dated November 27, 2018
2. Letter dated November 20, 2018, from Amanda Nairn and Andy Sherrer, Co-Chairs of the Stormwater Citizens Committee, to Honorable Mayor and Councilmembers
3. Potential Bond Package List of Projects
4. Preferred Rate Structure with annual revenue of \$4,489,707
5. Alternative A Rate Structure with annual revenue of \$3,966,888
6. Tiered Rate Structure with annual income of \$4,204,834

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The meeting was adjourned at 7:43 p.m.

ATTEST:


City Clerk




Mayor