



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: April 25, 2023

REQUESTER: Nathan Madenwald, Utilities Engineer

PRESENTER: Nathan Madenwald, Utilities Engineer

ITEM TITLE: CONSIDERATION OF ADOPTION, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF RESOLUTION R-2223-129: A RESOLUTION OF THE NORMAN UTILITIES AUTHORITY AND NORMAN MUNICIPAL AUTHORITY, REDUCING WATER FUND APPROPRIATIONS BY \$719,874.32; WASTEWATER RECLAMATION APPROPRIATIONS BY \$3,000,000; AND SANITATION FUND APPROPRIATIONS BY \$1,185,000; AND CLOSING CAPITAL PROJECTS.

BACKGROUND:

The Trustees of the Norman Utilities Authority and the Norman Municipal Authority appropriate funds for capital projects each fiscal year based on system needs. Due to increases in operational costs or projects of higher need materializing, however, existing appropriated projects are at times warranted to shift or be cancelled to free up funds for more pressing costs or projects.

DISCUSSION:

For the Wastewater Reclamation Fund, several projects were planned but have been deferred to allow for other projects to be completed, or determined to have no mandatory completion requirement. With increased operational costs for the Wastewater Reclamation Facility, it is recommended that allocations for these projects be reduced or eliminated and returned to the Wastewater Reclamation Fund balance (account 32-29000) to meet projected operational costs through the end of the current fiscal year. The proposed transfers are as follows in the table:

Project Number	Description	Current Account	Receiving Account	Amount	Justification
WW0170-Land	WRF Land	32999911-46001	32-29000	\$9,874.32	Project complete
WW0173-Design	WRF Env Services Roof	32999911-46201	32-29000	\$8,000	Defer preventive maintenance.
WW0173-Design	WRF Env Services Roof	32999911-46201	32-29000	\$98,000	Defer preventive maintenance.

Project Number	Description	Current Account	Receiving Account	Amount	Justification
WW0312-Design	Sludge Co-Composting	32993363-46201	32-29000	\$150,000	Land application more cost efficient.
WW0319-Design	WRF Septage	32999911-46201	32-29000	\$42,000	Defer project until other alternatives are not cost efficient.
WW0323-Design	WRF Blower Bldg Roof	32999911-46201	32-29000	\$12,000	Defer preventive maintenance.
WW0323-Const	WRF Blower Bldg Roof	32999911-46101	32-29000	\$105,000	Defer preventive maintenance.
WW0324-Design	WRF Structure Painting	32999911-46201	32-29000	\$20,000	Defer preventive maintenance.
WW0324-Const	WRF Structure Painting	32999911-46101	32-29000	\$150,000	Defer preventive maintenance.
WW0360-Const	WRF Cyber & Physical Security	32999942-46101	32-29000	\$125,000	Facility complies with regulations.
TOTAL REDUCED WR FUND APPROPRIATIONS				\$719,874.32	

For the Water Fund, the Advanced Water Metering project received different funding which will allow a portion of the appropriated funds to be returned to Fund balance (account 31-29000) and re-appropriated in future fiscal years. For the Robinson Water Line Replacement project, the currently appropriated funds are insufficient to complete the next phase of the project, and additional funds are required to meet increased operational costs for the Water Treatment Plant through the end of the fiscal year. The proposed transfers are as follows:

Project Number	Description	Current Account	Receiving Account	Amount	Justification
WA0351-Design	Advanced Water Metering	31993361-46201	31-29000	\$1,000,000	Funding from OWRB loan and BOR grant
WA0351-Const	Advanced Water Metering	31993361-46101	31-29000	\$1,400,000	Funding from OWRB loan and BOR grant
WA0242-Const	Robinson Water Line Replacement	31996683-46101	31-29000	\$600,000	Funding to be replaced in future fiscal years.
TOTAL REDUCED WATER FUND APPROPRIATIONS				\$3,000,000	

For the Sanitation Fund, the Sludge Co-Composting project is recommended to be deferred until future regulatory requirements or market demand warrant the project to be completed. Current practice of land application of bio-solids is acceptable and desirable and more cost efficient than co-composting. Existing practices of the Sanitation Division composting yard waste materials

without bio-solids will continue and currently appropriated funds can be returned to Sanitation Fund balance (account 33-29000). The proposed transfers are as follows:

Project Number	Description	Current Account	Receiving Account	Amount	Justification
WW0312-Design2	Sludge Co-Composting	33999975-46201	33-29000	\$150,000	Land application more cost efficient.
WW0312-Const2	Sludge Co-Composting	33999975-46101	33-29000	\$1,035,000	Land application more cost efficient.
TOTAL REDUCED SANITATION FUND APPROPRIATIONS				\$1,185,000	

RECOMMENDATION:

Staff recommends adopting Resolution R-2223-129, to reduce Wastewater Reclamation Fund appropriations by \$719,874.32; Water Fund appropriations by \$3,000,000; and Sanitation Fund appropriations by \$1,185,000; and close or delay capital projects as discussed in the Staff Report.