



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 06/28/2022

REQUESTER: Nathan Madenwald, Utilities Engineer

PRESENTER: Nathan Madenwald, Utilities Engineer

ITEM TITLE: CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF CONTRACT K-2122-140: BY AND BETWEEN THE NORMAN UTILITIES AUTHORITY AND STANLEY R. SENDELBACH IN THE AMOUNT OF \$450 PER YEAR BY THE TENANT FOR AGRICULTURAL LEASE OF THE PROPERTY AT 4020 EAST TECUMSEH ROAD.

BACKGROUND:

The City of Norman water system is supplied with water from the Vernon Campbell Water Treatment Plant (WTP) with water originating from Lake Thunderbird, the groundwater well system; and the City of Oklahoma City (OKC) treated water wholesale connection. The groundwater well system includes 41 wells (9 completed in 2021) with water sent to the system without any treatment. Water systems supplied solely by groundwater wells are not required to have treatment or disinfection by regulations. However, surface water systems are required to have treatment and disinfection and to maintain a minimum disinfectant residual within the system. The Oklahoma Department of Environmental Quality (DEQ) is working to have combined surface and groundwater systems comply with regulations similar to a surface water system. To comply with this requirement and to provide future capabilities for additional treatment processes in order to meet more stringent regulations as they are adopted, land was proposed to be acquired for a centralized groundwater facility as part of the 2015 rate increase. The construction of the centralized facility is a key initiative for the City and additional funding for the facility construction was proposed as part of the 2022 rate increase initiative that was unsuccessful.

In 2020, the City authorized Alan Plummer Associates, Inc. under Contract K-1516-85 to complete a siting evaluation to determine the best area for the location of the centralized treatment facility. Six locations were evaluated and locations along East Tecumseh Road generally between 24th Avenue NE and 48th Avenue NE were identified as the lowest capital cost options since less piping would be required to convey groundwater flows to and from the central site.

On February 22, 2022, the Norman Utilities Authority (NUA) acquired the tract of land at 4020 East Tecumseh Road pursuant to Contract K-2122-93 in amount of \$800,000. The tract is just over 28 acres in size and is currently open field.

DISCUSSION:

The NUA is currently negotiating with a consultant to begin design efforts for a chlorination site at this property. The original plan as described in the proposed 2022 rate initiative included a storage tank, booster station, generator, and other site improvements. This facility will be significantly scaled back to meet the immediate need for residual disinfectant within the system.

The property has been historically used for agricultural purposes, specifically haying for animal feed. Ongoing maintenance of the property will be necessary until the facility is constructed and in the future for the areas not built on by the initial phase of the project. The previous owner has offered to hay the property for \$450 annual payment to the NUA. Mowing is often a cost for other City facilities so it is in the best interest of the NUA to approve this contract. The use of the property will be limited to producing hay.

Funds received from this contract will be deposited into Rentals-City Property (319-362541) within the Water Fund.

RECOMMENDATION:

Staff recommends the NUA approve Contract K-2122-140 with Stanley R. Sendelbach in the amount of \$450 annual payment by the tenant for an agricultural lease for the property at 4020 E. Tecumseh Road.