



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 08/10/2021

REQUESTER: Nathan Madenwald, Utilities Engineer

PRESENTER: Nathan Madenwald, Utilities Engineer

ITEM TITLE: CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF AMENDMENT NO. 1 TO CONTRACT K-1920-111 A CONTRACT BY AND BETWEEN THE NORMAN UTILITIES AUTHORITY AND SHAZ INVESTMENT GROUP, LLC AUTHORIZING COLLECTION OF A MONTHLY LIFT STATION FEE FROM DEVELOPED LOTS IN THE TURTLE CROSSING DEVELOPMENT FOR THE OPERATION, MAINTENANCE AND REPLACEMENT OF THE SUMMIT VALLEY LIFT STATION.

BACKGROUND:

In 2003, the general policy was modified to allow installation of new lift stations if long-term operation, maintenance and capital equipment replacement costs (OM&R) were borne by the users of the new lift station (LS). An administrative Lift Station Fee collected through utility billing and applicable to each lot or customer in the new development was implemented through a contractual agreement.

To date, the Norman Utilities Authority (NUA) has approved eleven lift station agreements as follows:

1. Summit Lakes Addition (K-0304-51 approved 8/26/2003);
2. Summit Valley Addition (K-0304-57 approved 10/14/2003);
3. Eagle Cliff South Addition (K-0304-58 approved 10/14/2003);
4. Cobblestone West Addition (K-0405-119 approved 02/22/2005);
5. Alameda Park Addition (K-0506-30 approved 07/12/2005);
6. Red Rock Canyon Addition and Park Hill Addition (K-0506-139 approved 05/09/2006);
7. Siena Springs Addition (K-0607-70 approved 10/10/2006);
8. Links at Norman PUD (K-0809-115 approved 04/14/2009);
9. Stone Lake Addition (K-1415-130 approved 04/28/2015);
10. The Barn at Terra Verde (K-1819-59 approved 09/25/2018);
11. Eagle Cliff South Section 7 Addition (K-1920-48 approved 9/24/2019);
12. Turtle Crossing (K-1920-111 approved 3/24/2020);
13. Varena Landing (K-2021-40 approved 8/25/2020); and
14. NRH Medical Park West Section 2 Replat (K-2021-88 approved 4/13/2021).

DISCUSSION:

City Council previously approved Contract K-1920-111 for the original preliminary plat for the Turtle Crossing development. Subsequent to the approval of Contract K-1920-111, a revised preliminary plat incorporating addition development area was considered by Planning Commission on March 11, 2021 and approved by City Council on May 25, 2021. This amendment must be must be approved by the developer of Turtle Crossing development requiring them to fund a portion of the ongoing OM&R of the existing LS.

The developer of Turtle Crossing, Shaz Investment Group, LLC, is willing to implement the LS OM&R fee for the original and revised preliminary plat. If acceptable to Council, these costs would be recovered through proposed Contract K-1920-111. The monthly LS fee for the Summit Valley LS will be reduced to \$1.09. The proposed contract provides the following:

- 1) The LS OM&R fee (the Lift Station Fee) would be filed of record as a restrictive covenant with the final plat of Turtle Crossing as well as any other new areas that ultimately obtain sewer service from the Summit Valley LS.
- 2) The LS Fee will be adjusted annually to account for inflation and may otherwise be adjusted if changes to the LS service area necessitate an adjustment.
- 3) In the event a LS is taken out of service and its wastewater flows by gravity to a wastewater treatment facility site, the LS Fee would be discontinued.
- 4) The LS Fee will be calculated for each dwelling unit as well as a per capita basis to accommodate other zoning classifications such as commercial, institutional, industrial, etc.
- 5) The LS Fee will be collected monthly from each dwelling unit or non-residential entity contributing flow to the LS through the City's Utility billing system.

The calculations for this fee are shown as Exhibit A to the contract while Exhibit B illustrates the area to be served by the Summit Valley LS.

RECOMMENDATION:

Staff recommends approval of Amendment No. 1 to Contract K-1920-111 between the Norman Utilities Authority and Shaz Investment Group, LLC implementing the Summit Valley Lift Station Fee for the Turtle Crossing development to the City of Norman.