



City of Norman, OK

Municipal Building
Council Chambers
201 West Gray
Norman, OK 73069

Master

File Number: R-1718-59

File ID: R-1718-59 **Type:** Resolution **Status:** Consent Item

Version: 2 **Reference:** Item 17 **In Control:** City Council

Department: Utilities Department **Cost:** **File Created:** 11/14/2017

File Name: Appropriate WR Funding to Post Oak LS Payback **Final Action:**

Title: RESOLUTION R-1718-59: A RESOLUTION OF THE NORMAN UTILITIES AUTHORITY APPROPRIATING \$15,419 FROM THE WASTEWATER FUND BALANCE TO ALLOW FOR THE RETURN OF COLLECTED PAYBACK FEES TO INVESTORS FOR THE POST OAK LIFT STATION PAYBACK PROJECT AND AUTHORIZING PAYMENT TO THE LINKS OF NORMAN, A LIMITED PARTNERSHIP.

Notes: ACTION NEEDED: Acting as the Norman Utilities Authority, motion to adopt or reject Resolution R-1718-59 and direct payment in the amount of \$15,419 to the Links of Norman, a Limited Partnership.

ACTION TAKEN: _____

Agenda Date: 12/05/2017

Agenda Number: 17

Attachments: Attachment 1 Post Oak LS Appropriation FYE17, R-1718-59, R-1011-74 with exhibits, Text File Links.pdf, Contract K-0809-128

Project Manager: Mark Daniels, Utilities Engineer

Entered by: mark.daniels@normanok.gov

Effective Date:

History of Legislative File

| Ver- sion: | Acting Body: | Date: | Action: | Sent To: | Due Date: | Return Date: | Result: |
|------------|--------------|-------|---------|----------|-----------|--------------|---------|
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Text of Legislative File R-1718-59

Body

BACKGROUND: The City Council approved Resolution R-0809-133 on April 14, 2009 declaring the Post Oak Lift Station improvements as a payback project and approved Resolution R-1011-74 (attached) on January 25, 2011 declaring the final costs for the Post Oak Lift Station payback project. These actions enable the investors in the payback project to recover their costs from property owners benefiting from the project.

In addition, the Norman Utilities Authority and the Investors entered into agreement K-0809-128 (attached) for the Post Oak Lift Station Payback Project. The parcels subject to payback, as of January 2012, are shown on the map included with Resolution R-1011-74. Parcels 1, 2 and 3 participated financially in the project and have been released from the payback requirements.

In accordance with these agreements, property owners benefiting from the projects are required to payback their

share of the project cost as their parcels are developed; Parcels 4 through 7 are subject to payback when connecting to the lift station. The amount of payback collected is based on the acreage of the land developed, the land use, and the estimated wastewater flow. In accordance with the agreements, the City collects a 2% fee for administering the collection and distribution of the payback fees. Payback funds are deposited in the Wastewater Recoupment revenue account (032-0000-366.12-54) prior to disbursement to the Investor.

DISCUSSION: As shown on Attachment 1, Parcels 1, 2 and 3 paid their share of the project costs at inception and have been released from payback. The developer of Parcel 1 contributed additional funding of \$123,611 that is the subject of this payback project. Any development connecting to the Post Oak Lift Station during the 20-year payback period is subject to payback and will need to reimburse their pro-rata, inflated share of the project costs. Payback costs are inflated at an annual rate of 3.4%.

To date, payback fees totaling \$15,717.09 of the original \$123,611 payback amount have been collected from project completion through June 30, 2017; these funds were deposited in the Wastewater Recoupment revenue account.

It is now necessary to appropriate \$15,409 from the Wastewater Fund Balance into Recoupment Payback, Refunds and Reimbursements (account 032-5548-432.47-06). As noted, the City retains 2%, or \$308.18, as an administrative fee. Payback fees totaling \$15,409 will be returned to the Investor (The Links at Norman, A Limited Partnership) as set forth in the agreement.

RECOMMENDATION: It is recommended that the City Council/Norman Utilities Authority approve Resolution R-1718-59 appropriating \$15,419 from the Wastewater Fund Balance (032-0000-253.00-00) to Recoupment Payback, Refunds and Reimbursements (account 032-5548-432.47-06), and authorize payment to The Links at Norman, A Limited Partnership.