



City of Norman, OK

Municipal Building
Council Chambers
201 West Gray
Norman, OK 73069

Master

File Number: K-2021-40

File ID: K-2021-40 **Type:** Contract **Status:** Consent Item

Version: 1 **Reference:** Item 37 **In Control:** City Council

Department: Utilities Department **Cost:** **File Created:** 08/11/2020

File Name: Varena Landing LS Agreement **Final Action:**

Title: CONTRACT K-2021-40: A CONTRACT BY AND BETWEEN THE NORMAN UTILITIES AUTHORITY AND VARENNALANDING, L.L.C., AUTHORIZING COLLECTION OF A MONTHLY LIFT STATION FEE FROM DEVELOPED LOTS IN THE VARENNALANDING DEVELOPMENT FOR THE OPERATION, MAINTENANCE AND REPLACEMENT OF THE SUMMIT VALLEY LIFT STATION.

Notes: ACTION NEEDED: Acting as the Norman Utilities Authority, motion to approve or reject Contract K-2021-40 with Varena Landing, L.L.C.; and, if approved, authorize the execution thereof.

ACTION TAKEN: _____

Agenda Date: 08/25/2020

Agenda Number:

Attachments: K-2021-40 - Varena Landing LS Agreement

Project Manager: Nathan Madenwald, Capital Projects Engineer

Entered by: nathan.madenwald@normanok.gov

Effective Date:

History of Legislative File

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:

Text of Legislative File K-2021-40

Body

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 twelve lift station agreements as follows:

1. Summit Lakes Addition (K-0304-51 approved 10/14/03);
2. Summit Valley Addition (K-0304-57 approved 10/14/03);
3. Eagle Cliff South Addition (K-0304-58 approved 10/14/03);
4. Cobblestone West Addition (K-0405-119 approved 02/22/05);
5. Alameda Park Addition (K-0506-30 approved 07/12/05);
6. Red Rock Canyon Addition and Park Hill Addition (K-0506-139 approved 05/09/06);
7. Siena Springs Addition (K-0607-70 approved 10/10/06);
8. Links at Norman PUD (K-0809-115 approved 04/14/09);
9. Stone Lake Addition (K-1415-130 approved 04/28/15);
10. The Barn at Terra Verde (K-1819-59 approved 09/24/18);
11. Eagle Cliff South Section 7 Addition (K-1920-48 approved 9/24/19); and
12. Turtle Crossing Addition (K-1920-111 approved 3/24/20).

DISCUSSION: The City Council approved the preliminary plat for the Varena Landing Addition on June 25, 2019. Sewer service for the proposed Varena Landing development will be south through the existing Summit Valley LS. A lift station agreement must be approved by the developer of Varena Landing development requiring them to fund a portion of the ongoing OM&R of the existing LS. Normally, this agreement is executed and approved at the time of the preliminary plat approval. However, due to modifications to the design for sanitary sewer service, the discharge point for the development was changed thereby requiring this agreement to be executed and recommended for approval subsequent to the approval of the preliminary plat.

The developer of Varena Landing, Varena Landing, LLC, is willing to implement the LS OM&R fee. If acceptable to Council, these costs would be recovered through proposed Contract K-2021-40. The monthly LS fee for the Summit Valley LS is currently \$1.14 per household but we be reduced to \$1.10 once the Varena Landing final plat is filed. 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 Varena Landing 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.
6. 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 Contract K-2021-40 implementing the

Summit Valley Lift Station Fee for the Varena Landing development to the City of Norman.