

**Citizen's Wastewater Oversight Committee Meeting  
Council Study Session Room  
201 West Gray  
Norman, Oklahoma  
Tuesday, July 17, 2012  
8:15 AM**

Members Present: Jayna Andrews, Delmar Burk, Greg Jungman, Merrill Snider, James Wilbanks, and Judith Wilkins

Members Absent: Jim Burleson

Others Present: Anthony Francisco, Suzanne Krohmer, and Jeff Bryant

Chair Wilkins called the meeting to order.

James Wilbanks moved and Jayne Andrews seconded to approve the minutes of the April 17, 2012 meeting. Motions passed unanimously.

Greg Jungman, newly appointed Council member, was welcomed to the Committee.

Utilities Department staff was not available to update the Committee on the various projects and the FYE 13 budget for projects.

Anthony Francisco presented update on FYE 13 budget. He reviewed the materials mailed to the Committee members that contained the minutes of the Council Study Session held previous to the Council meeting; and the minutes of the action items from the Council meeting held on June 12, 2012.

- Before final design contract was awarded, the Developers Association wanted to use excise sales tax programmed for North plant instead of South plant expansion.
- Remaining sales tax taken out of South plant project and put into Sewer Sales Tax Fund balance.
- Reserve/fund balance to be used for current needs.
- Awarded final South plant design funded by wastewater fees and excise tax – approximately \$50 million dollar project.

Jeff Bryant – wastewater fee increase election to be set during the coming year.

Jayna Andrews – attended a study where developers and builders were concerned about why funds 321, 322, and 323 were established and legality of project fund.

Jeff Bryant – as long as current needs are addressed, funding is legal – sewer sales tax.

Merrill Snider – what does “current” mean in these discussions – needs now or anticipated needs.

Jeff Bryant – temporary sales tax for current needs.

- City is obligated to provide sewer service when land is platted – preliminary plat whether land is developed.
- Of the \$32 million dollar sewer sales tax, City spent approximately \$27 million dollars on current needs projects.
- Look at Wastewater Master Plan in 2007 and see if it is what we still want to do.
- Everyone is in agreement that the City needs expansion at South plant.
- Fee increase is supposed to make up difference between what we have versus what is needed – approximately \$46 million dollars short.
- When sales tax is spent, Committee will be dissolved.
- Funding for South plant is combination of Wastewater Fund balance, bonding capacity (Revenue Bonds), and excise tax.
- Twenty-four to twenty-six percent increase in sewer fee rate if reserve fund balance is not used.

Jayne Andrews – on items 4 and 5, has questions (handout)

- Discussed Committee's role in promoting rate increase – make "recommendations" to Council. Has not been a rate increase since 1996.
- Time/deadline for South plant improvements? Department of Environment Quality can take punitive actions, if actions to make improvements to plant not made.
- We are at 90% capacity at South plant, so we are past the DEQ deadline.
- Design will take approximately one year which will give a more accurate cost to determine needed rate increase.
- Can interest on current sales tax be spent? Yes, interest is being accrued into that fund (.08% percent interest).

James Wilbanks – "We are losing money" in the reserves because of construction and commodity cost increases.

Jayna Andrews – Increases should be on wastewater rates, sales tax, and excise fee increase.

Difference between Excise taxes vs. Impact fee – Excise tax does not have to be tied to specific projects - Impact fee has to be applied to specific project. Norman's excise fee is very high for this region, but low nationally.

Do we have adequate capacity to serve the developments in north and west Norman if we expand South plant from 12 to 17 MGD? Yes, it will be sufficient for 20 years. Lift Station D renovations would satisfy the headworks for North plant.

Why are builders so adamant about North plant, if capacity is being met? They said they were "promised north plant" and developers want that.

If Lift Station D capacity is raised from the current 1.5 MGD to 4.5 MGD would take 7 to 8 years to reach capacity.

James Wilbanks - argument is capacity versus promise. Is it time to re-visit 2025 Wastewater Master Plan – originally it was 21.5 MGD for North and South plants in the 2001 Wastewater Master Plan. Council changed sequencing of meeting capacity needs. There is a limit to amount of raw waste that can be discharged in a river.

Let citizens know what is coming – August vote for “transportation needs” and during the coming year will be election for a wastewater fee increase – citizens need big picture of what increases are coming.

Resolution from Committee stating purpose of Committee – “ensure voter approval and that all three wastewater funds are spent in accordance with .....” Committee wants to word a recommendation after getting the minutes from this meeting.

Annual Report to Council – Committee wants staff to write. Committee can approve draft report and recommendation at a special meeting. Annual Report contains just past year’s actions and progress.

The next scheduled meeting of the Wastewater Oversight Committee will be October 16, 2012, at 8:15 a.m. in the Council Executive Study Session Room. There will be a PowerPoint presentation of projects.

There being no further discussion, motion was made by Jayna Andrews and seconded by Judith Wilkins to adjourn the meeting. Motion passed unanimously and meeting adjourned at 9:37 am.