

City of Norman, OK

Municipal Building Council Chambers 201 West Gray Norman, OK 73069

Master

File Number: K-1415-130

File ID: K-1415-130 Type: Contract Status: Non-Consent Items

Version:1Reference:37In Control:City CouncilDepartment:Utilities DepartmentCost:File Created:04/17/2015

File Name: Stone Lake Lift Station Fee Agreement Final Action:

Title: CONTRACT K-1415-130: A CONTRACT BY AND BETWEEN THE NORMAN UTILITIES AUTHORITY AND SHAY DEVELOPMENT FOR THE PURPOSE OF IMPLEMENTING A LIFT STATION OPERATION, MAINTENANCE AND REPLACEMENT FEE FOR EAST RIDGE LIFT STATION TO SERVE STONE LAKE ADDITION TO THE CITY OF NORMAN.

Notes: ACTION NEEDED: Acting as the Norman Utilities Authority, motion to approve or reject Contract K-1415-45 with Shay Development; and, if approved, authorize the execution thereof.

ACTION TAKEN:

Agenda Date: 04/28/2015

Agenda Number: 37

Attachments: Text File Stone Lake Lift Station.pdf, Stone

Lake-East Ridge Cost Estimate, K-1415-130

Project Manager: Mark Daniels, Utilities Engineer

Entered by: mark.daniels@normanok.gov Effective Date:

History of Legislative File

 Ver- Acting Body:
 Date:
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Text of Legislative File K-1415-130

Body

BACKGROUND: In 2003, 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. An administrative Lift Station Fee collected through utility billing and applicable to each lot in the new development was implemented through a contractual agreement.

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

- 1. Summit Lakes Addition (K-0304-51 approved 08/26/03);
- 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 Addition and Park Hill Addition (K-0506-139 approved 05/09/06);

- 7. Siena Springs Addition (K-0607-70 approved 10/10/06); and
- 8. Links at Norman PUD (K-0809-115 approved 04/14/09).

<u>DISCUSSION</u>: On March 12, 2015, the Planning Commission approved the preliminary plat for Stone Lake Addition contingent upon the provision of a sewer solution for the parcel acceptable to the NUA. Two solutions are considered viable:

- 1. Construction of a replacement lift station at the southern end of the tract, or
- 2. Connecting to the existing Eastridge Lift Station to the east along Lindsey Street.

In order to obtain NUA approval to connect to the existing lift station, the developer has agreed to accommodate the wastewater flow from the 48 lots proposed in the Stone Lake development as well as the 50 lots currently served by the Siena Springs Lift Station. A lift station agreement must also be approved by the developer requiring the future residents of Stone Lake Addition to fund a portion of the ongoing OM&R of the existing lift station; the residents currently served by the Eastridge Lift Station will not be charged the fee as the lift station was constructed prior to implementation of the lift station fee.

The estimated lift station fee for the Eastridge Lift Station is \$2.45 per month. The fee for the Siena Springs Lift Station is currently \$10.58 per month; the existing Siena Springs Lift Station would be abandoned in the future as the wastewater can eventually gravity flow through the sewer lines constructed as a part of Stone Lake Addition to the Eastridge Lift Station. At that time, the Siena Springs Lift Station fee would be reduced to approximately \$2.45 per month.

The developer, Shay Development, LLC, is willing to implement a Lift Station OM&R fee. If acceptable to Council, these costs would be recovered through proposed Contract K-1415-130. The proposed contract provides the following:

- 1) The Lift Station OM&R fee would be filed of record as a restrictive covenant with the final plat of Stone Lake Addition as well as any other areas that ultimately obtain sewer service from the Eastridge Lift Station.
- 2) The Lift Station Fee will be adjusted annually to account for inflation and may otherwise be adjusted if changes to the lift station service area necessitate an adjustment.
- 3) In the event a lift station is taken out of service and its wastewater flows by gravity to a wastewater treatment facility site, the Lift Station Fee would be discontinued.
- 4) The Lift Station 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 Lift Station Fee will be collected monthly from each dwelling unit or non-residential entity contributing flow to the lift station 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 of the Preliminary Plat served by the proposed lift station.

RECOMMENDATION: Staff recommends approval of Contract K-1415-130 implementing the East Ridge Lift Station Fee for Stone Lake Addition to the City of Norman.