

CITY COUNCIL PUBLIC MEETING MINUTES

January 7, 2015

The City Council of the City of Norman, Cleveland County, State of Oklahoma, met in a public meeting at 7:00 p.m. at Truman Elementary School on the 7th day of January, 2015, and notice and agenda of the meeting were posted at the Truman Elementary School at 600 Parkside Road, the Municipal Building at 201 West Gray, and the Norman Public Library at 225 North Webster 48 hours prior to the beginning of the meeting.

PRESENT: Councilmembers Castleberry, Lang, Holman, Quinn, Mayor Rosenthal

ABSENT: Councilmembers Heiple, Jungman, Miller, and Williams

Item 1, being:

PRESENTATION REGARDING AN UPCOMING ELECTION FOR A WATER RATE INCREASE.

Mayor Rosenthal welcomed everyone to the public forum and said the Water Rate Increase will be held on January 13, 2015, and if approved, will be the first water rate increase in nine years. She said this comes forward with unanimous support of Council and a lot of work by citizens who provided input during the process over the prior months. At the heart of this proposal is the fundamental need to address water quality challenges and constraints on supply that we face in the City of Norman. The proposal is about providing a safe, secure, and adequate water supply for our current customers. It is not a rate increase to fund infrastructure for future citizens of our community, but it is for those who live here now and who depend upon this water supply.

Mr. Ken Komiske, Director of Utilities, said the City is trying to strike a balance with water rates between revenue stability/resiliency; conservation promotion; affordability; and economic development. The proposed rate increase would fund \$47 million in capital expenses - \$31 million for Phase II of the Water Treatment Plant Upgrades; \$13 million for capacity improvements which includes \$2 million for blending, \$9 million for new wells, and \$2 million to purchase land for the a new ground water treatment site; and \$3 million for water line replacements. Mr. Komiske highlighted the proposed rate increase as follows:

	PRESENT	PROPOSED
BASE FEE w/CIC*	\$5.50	\$7.50
0 to 5,000	\$2.00	\$3.35
5,001 to 15,000	\$2.10	\$4.10
15,001 to 20,000	\$2.75	\$5.20
More than 20,000	\$4.95	\$6.80

* Capital Improvement Charge

Mr. Komiske said the Water Division offers utility rates at 75% of the normal rate for customers who qualify as low income households based on federal guidelines. He said 58% of the bills average 4,000 gallons per month or less and that is an increase of approximately \$7.20 per month.

Mr. Komiske said conservation styled rates are being proposed for commercial customers based on their average winter consumption (AWC) during December, January, and February. He said proposed rates are as follows:

WINTER	PRESENT	PROPOSED
BASE FEE	\$5.50	\$7.50
Consumption Per 1,000 Gallons	\$2.10	\$3.80
SUMMER	PRESENT	PROPOSED
BASE FEE	\$5.50	\$7.50
Consumption Above AWC	\$2.10	\$4.20

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Mr. Komiske said the more water a customer uses, the more they pay.

Mr. Komiske said a high use surcharge of \$.35 per 1,000 gallons of water consumption greater than \$20,000 per month will be charged during the water usage months of July and August, which would be reflected on customers utility bills of August and September.

Mayor Rosenthal fielded the following questions from members of the audience, which were answered by her and members of Staff:

- A question was raised that a citizen read something that said “the next \$87 million for the water treatment plant coming” and asked what that would be.
- Have all the items listed on the City’s utility bill been voted on by the public. Thought Council had the ability to raise some things without a vote of the people.
- Has Council considered raising the rates 3% per year similar to Oklahoma City instead of one large chunk?
- A question was raised regarding the Oklahoma Department of Environmental Quality (ODEQ) fines the City could be subject to if improvements are not made and how that would likely occur?
- Why doesn’t ODEQ allow chloramines as a primary disinfection?
- A question was raised asking for an explanation as to how connection fees are calculated.
- How much interest will be paid on \$48 million?

Items submitted for the record

1. PowerPoint presentation entitled, “Water Fund – January 2015”

The meeting adjourned at 8:00 p.m.

ATTEST:

City Clerk

Mayor