



## Legislation Text

---

**File #:** K-2021-88, **Version:** 1

---

**CONTRACT K-2021-88:** A CONTRACT BY AND BETWEEN THE NORMAN UTILITIES AUTHORITY AND NORMAN REGIONAL HOSPITAL AUTHORITY, A PUBLIC TRUST, AUTHORIZING COLLECTION OF A MONTHLY LIFT STATION FEE FROM DEVELOPED PROPERTY IN THE N.R.H. MEDICAL PARK WEST SECTION 2 REPLAT DEVELOPMENT FOR THE OPERATION, MAINTENANCE AND REPLACEMENT OF THE NRH WEST LIFT STATION.

**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 thirteen lift station agreements as follows:

1. Summit Lakes Addition (K-0304-51 approved 08/26/2003);
2. Summit Valley Addition (K-0304-57 approved 10/14/2003);
3. Eagle Cliff South Addition (K-0304-58 approved 10/14/2003);
4. Cobblestone West Addition (K-0405-119 approved 02/22/2005);
5. Alameda Park Addition (K-0506-30 approved 07/12/2005);
6. Red Rock Canyon Addition and Park Hill Addition (K-0506-139 approved 05/09/2006);
7. Siena Springs Addition (K-0607-70 approved 10/10/2006);
8. Links at Norman PUD (K-0809-115 approved 04/14/2009);
9. Stone Lake Addition (K-1415-130 approved 04/28/2015);
10. The Barn at Terra Verde (K-1819-59 approved 09/25/2018);
11. Eagle Cliff South Section 7 Addition (K-1920-48 approved 9/24/2019);
12. Turtle Crossing (K-1920-111 approved 3/24/2020); and
13. Varenna Landing (K-2021-40 approved 8/25/2020).

**DISCUSSION:** The City Council approved the preliminary plat for the N.R.H. Medical Park West Section 2 Replat on February 23, 2021. The existing Healthplex is served by the gravity sewer system and the proposed Replat and subsequent development will require the installation of a new LS meeting City of Norman requirements. All options for gravity sewer service were evaluated but the proposed lift station was determined to be necessary based on the proposed development. Sewer service will be south of the proposed NRH West LS located within the development along the new driveway/roadway to be constructed around the development. The new NRH West LS will discharge into an existing 12-inch gravity sanitary sewer line. A lift station agreement with the developer of N.R.H. Medical Park West Section 2 Replat is required to fund the OM&R for the proposed NRH West LS.

Three lots not included within the N.R.H. Medical Park West Section 2 Replat are currently located upstream of the proposed LS. These properties are currently served by the gravity sewer system

and will be served by the future NRH West LS. However, since the existing properties are currently served without a LS and the installation of the lift station downstream is outside of their control, these properties will not be charged the LS fee. The flows from these lots are included in the design of the new LS to ensure it has adequate capacity.

The developer of N.R.H. Medical Park West Section 2 Replat, Norman Regional Hospital Authority, a Public Trust, is willing to implement the LS OM&R fee. If acceptable to Council, these costs would be recovered through proposed Contract K-2021-88. The monthly LS fee was calculated based on the proposed development plan for the site with costs distributed between the proposed buildings/facilities based on estimated sanitary sewer flows. The monthly LS fee will be charged as follows:

- 1) Norman Regional Operated Facilities - \$707.18 (67% of flow)
- 2) Ambulatory Care Center - \$316.65 (30% of flow)
- 3) Cancer Center - \$31.66 (3% of flow)

Additionally, 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 N.R.H. Medical Park West Section 2 Replat as well as any other new areas that ultimately obtain sewer service from the NRH West 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 collected monthly through the City's Utility billing system.
- 5) The calculations for this fee are shown as Exhibit A to the contract while Exhibit B illustrates the area to be served by the NRH West LS.

**RECOMMENDATION:** Staff recommends approval of Contract K-2021-88 implementing the NRH West Lift Station Fee for the N.R.H. Medical Park West Section 2 Replat development to the City of Norman.