

CITY COUNCIL PUBLIC MEETING MINUTES

January 8, 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 Fire Station No. 9 on the 8th day of January, 2015, and notice and agenda of the meeting were posted at Fire Station No. 9 at 3001 Alameda Street, 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 Heiple, Lang, Holman, Miller, Mayor Rosenthal

ABSENT: Councilmembers Castleberry, Jungman, Quinn, 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 reviewed questions received at two prior forums and provided answers and provided assurances that the money will be spent on the items included in the proposal. She also fielded the following questions from members of the audience, which were answered by her and members of Staff:

- Sustainability (water supply) – short term – wells, long term – reclamation.
- Reuse – is part of the 2060 plan but why was it not included in calculation for proposed rate increase?
- Will the new wells impact private wells?
- Do we test for chemicals of emerging concern?
- Do we look at water usage of incoming businesses?
- Level of rate increase – purpose is to encourage conservation.
- Letter to editor re: comparing the rate increase to the consumer price index.
- Strategic Water Supply Plan – chromium and arsenic.

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