

CITY COUNCIL PUBLIC MEETING REGARDING CREATION OF A STORM WATER UTILITY

May 16, 2016

The City Council of the City of Norman, Cleveland County, State of Oklahoma, attended a public meeting at 6:00 p.m. in the Municipal Building Council Chambers on the 16th day of May, 2016, and notice of the public meeting were posted at 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. Although this meeting was not a regularly scheduled meeting of the Council a quorum was present; therefore, a summary of the meeting was recorded as required by the Open Meeting Act.

PRESENT: Councilmembers Allison Castleberry, Holman, Karjala, Lang, Miller, and Mayor Rosenthal

ABSENT: Councilmembers Heiple and Jungman

PRESENTATION AND DISCUSSION REGARDING THE CREATION OF A STORM WATER UTILITY.

Mayor Rosenthal welcomed everyone to tonight's public meeting regarding the creation of a Storm Water Utility (SWU), stating Staff and Council have been working on a SWU for several years. She said in 2010, the City thought the Environmental Protection Agency (EPA) and the Oklahoma Department of Environmental Quality (ODEQ) were going to require new unfunded mandates for water quality; however, the mandates were not imposed on the City until 2015. Mayor Rosenthal said the delay gave the City time to tackle some of the major storm water initiatives facing the City's storm water system, e.g., the Lindsey Street Project, West Main Street Project, and Franklin Road Project, which were all a part of a bond package approved by the voters.

Mayor Rosenthal said it is important to distinguish between the different water systems in Norman. She said the City has a Water Treatment Plant (WTP) and the WTP must meet Federal safe drinking water standards and mandates funded by a water utility fee. Mayor Rosenthal thanked the Norman voters for recently approving a rate increase in the water utility in order to bring the WTP up to the necessary required standards. Likewise, the City has a wastewater/sewage system and Mayor Rosenthal thanked the Norman voters, once again, who recognized the need for sewer infrastructure improvements and/or required mandates. She said the Clean Water Act is a mandate and requires household, commercial, and industrial wastewater to be treated and the pollutants removed before being discharged into the Canadian River.

Mayor Rosenthal said tonight's meeting will talk about a storm water system, highlight Norman's storm water concerns/issues, and ask the voters of Norman to recognize the investment of a SWU. She said the City is trying to achieve three (3) main goals with storm water: 1) protect Norman's water supply at Lake Thunderbird from pollution due to water run-off, 2) protect citizens' homes and/or businesses from flooding, and 3) protect property and the community from economic loss, i.e., poor water quality can impact the business community and/or threats to property values that can happen when the storm water infrastructure is not maintained as well as erosion of back yards and flooding of homes and/or businesses.

Mayor Rosenthal said experts recognize that non-point source pollution has been the single most unregulated threat to water quality. She said storm water, whether rainfall and/or ice melt, runs over and through the ground and carries away the sediments from construction sites, erodes stream beds, fertilizers and insecticides that are placed on lawns and washes them into the City's streams. Storm water also

collects chemicals, oils, and gas residue from streets, driveways, and parking lots, as well as bacteria from pet waste, agriculture operations, and failing septic systems, which wind up in Norman's streams, rivers, lakes, and groundwater.

Mayor Rosenthal said Norman, along with other cities, faces new Federal mandates to control this source of pollution and at the same time, Norman is trying to address the flooding threats which are a result of the inability to manage major rain events. She asked everyone to keep in mind a City storm water system requires all of us to participate if we are to protect our water supply. She said the storm water system affects all of us. The improvements made to the entire storm water system benefits us all.

Mr. Shawn O'Leary, Director of Public Works, highlighted the City of Norman floodplain map and said the City's footprint is very large, 192 square miles. He said Norman has a large amount of infrastructure with a fairly small population, relatively speaking. He said a city our size would typically have a population two or three times what Norman has currently; therefore, Norman has fewer citizens to bear the costs of building and/or maintaining infrastructure. Mr. O'Leary said Norman has two (2) major watersheds, Lake Thunderbird and Canadian River, five (5) major channels, i.e., Ten Mile Flat Creek, Brookhaven Creek, Merkle/Normandy Creek, Imhoff Creek and Bishop Creek.

Mr. O'Leary said the City is very interested in adoption of a SWU and Council has considered multiple rate structure options. He said a final rate structure or method of allocation has not been determined by Council and at this time public input and feedback are being requested to determine the concept and methodology for a SWU.

Mr. O'Leary shared the results from the 2009 City of Norman Community Survey where citizens were asked "...how important do you think it is for the City of Norman to fund stormwater improvements that will help prevent flooding and protect the quality of water in lakes and streams...", and 47% felt it was extremely important and 30% felt it was very important.

Mr. O'Leary said a SWU is a "stand-alone" service unit or enterprise fund which would generate its revenue and be responsible for funding the operation and maintenance of storm water facilities, as well as a storm water system, planning and management. He said Norman currently has enterprise funds for water, wastewater, and sanitation. Mr. O'Leary said this is not a new idea, stating SWUs have been implemented around the country for over 25 to 30 years. He said Norman is the only large city in Oklahoma without a SWU and the SWU fees for other Oklahoma cities range from \$0.75 to \$19.00 per month.

Mr. O'Leary said a SWU is needed now due to the unfunded Federal mandates that must be implemented in 2016 as well as assist with flooding relief for Norman neighborhoods. He said other Norman utility rates have been updated in recent years; however, Norman is behind other communities regarding deferred maintenance and without a SWU, other City services will be impacted/reduced. Mr. O'Leary said unfunded mandates are requirements from Federal/State rules or permits that must be met for compliance. He said a SWU will address the following unfunded mandates and storm water issues:

- Stream degradation and maintenance: conduct a stream blitz to clean and repair 320 miles of streams and channels in Norman (\$457,677);
- Storm pipeline assessment: 138 miles of pipelines in Norman; will help identify illicit discharges and indicate areas in need of repair (\$230,903);
- Additional street sweeping: Best Management Practices; removes contaminants from the street surface reducing pollution to streams and Lake Thunderbird (\$414,360);

- Neighborhood Enhanced Maintenance: a 50/50 cost share program to assist property owner and home owners associations to repairs to small drainage structures (\$250,000);
- Small Capital Project Funding: small projects identified in the Storm Water Master Plan (SWMP) and/or cost share programs or projects that are \$100,000 to \$500,000; inspect detention facilities yearly (\$1,434,417);
- Large bond program Capital Project Funding: additional capital projects from the SWMP; SWMP projected \$82.5 million in 59 projects - Current 2012 Bond Projects (Main Street Bridge and Lindsey Street) complete \$17.5 million in bond projects and the remaining capital projects are \$65 million;
- Lake Thunderbird Total Maximum Daily Load (TMDL): further contamination could risk its use as a drinking water source; ODEQ published this mandate on November 13, 2015; TMDL is for total nitrogen, phosphorus and suspended solids; Oklahoma City and Moore must also comply with the TMDL; and ODEQ is currently reviewing Norman's Compliance Plan (\$300,000); and
- Phase II Storm Water Permit: Norman is obligated to adhere to the statewide permit for storm water discharges; permit affects entire City of Norman; includes additional storm water inspections, public involvement, and street sweeping (\$853,400).

Mr. O'Leary highlighted the ranking process for the SWMP Action Plan that a citizen committee helped develop and Council adopted in 2011. He said the Action Plan is a very objective 14 points of ranking, e.g., safety, flood prone areas, etc., according to project description, city rank, ward rank, costs, etc. The projects are not all brick and mortar projects but instead repairing stream bank erosion or installing a reinforced concrete box culvert. Mr. O'Leary said he wanted to be very clear and everyone to understand that a SWU will not fund the large projects such as replace the structure on 36th Avenue N.E. over Rock Creek Road (\$1 million) or construct a regional detention pond upstream of Rock Creek Road on Woodcrest Creek (\$2.5 million).

Mr. O'Leary highlighted the proposed annual Storm Water Budget totaling \$7.325 million as follows: current Storm Water Budget (General Fund) FYE 2016: \$2.375 million for basic maintenance and unfunded mandates and new proposed additional Storm Water Budget with SWU FYE 2017: \$4.950 million for basic maintenance, unfunded mandates, and flood relief projects. He stated 29% or \$2,120,000 will assist with flood relief; 32% or \$2,355,000 will assist with unfunded mandates; and 39% or \$2,850,000 will assist with basic maintenance.

Mr. Scott Sturtz, City Engineer, said during the development of the SWMP, survey work was performed and it was determined the hard surface area on an average home in Norman is approximately 3,600 sq. ft., i.e., the house is 2,900 sq. ft. with 700 sq. ft. of additional hard surfaces, e.g., driveways, patios, sidewalks, etc. He said the 3,600 sq. ft. is equal to one (1) Equivalent Residential Unit (ERU). Mr. Sturtz said storm water runs directly off the impervious area with no chance of getting it back into the ground. He explained non-residential properties can also have soft surfaces, i.e., landscaped areas, yards, mulch and/or gravel flower beds, etc., and said storm water can soak into soft areas, getting it back into the ground. Mr. Sturtz said hard or impervious surfaces are used when calculating a SWU but, soft or pervious surfaces are not used.

Mr. Sturtz said Council has considered several SWU concepts to include the following:

- ERU: PROS: more equitable; recommended in the SWMP; based on runoff; defensible; and 80% of utilities nationally are billed in this manner; CONS: some administrative burden and slightly more complicated;

- Flat Rate: PROS: simplest method of billing; less administrative burden; and often used for residential billing in Oklahoma; CONS: only 10% of utilities nationally are billed in this manner; least equitable; not based on runoff;
- Water Meter Size: PROS: easy billing method and commonly used in Oklahoma City metro; CONS: less equitable; less than 1% utilities nationally are billed in this manner; and not based on runoff; and
- Tiered Rates: PROS: can be equitable based on the ranges; based on runoff; and defensible; CONS: some administrative burden and slightly less complicated.

Option C:

Mr. Sturtz highlighted the SWU Option C as follows:

- Calculated with the 2015 Geographical Information Systems (GIS) impervious area data;
- All parcels - 0 to 10,999 square feet - seven (7) tiered rates;
 - 11,000 square feet and greater - \$6/3,600 square feet ERU;
- Rate cap – public schools to pay a maximum rate of \$640 per site;
- Possible credit – educational programs;
- Provisions for low income customers; and
- Appeal process available (simple and accessible).

Mr. Sturtz said the fees for Option C utility rates ranged from \$3.50 to \$15.00 per month for 0 to 11,000 square feet, based on hard (impermeable) surface area. He said the average residential rate of \$6.00 for a 2,900 square foot house would have a monthly SWU fee of \$5.75 and a 37,000 square foot non-residential parcel would have a monthly SWU of \$62.00.

Alternate Proposal:

Councilmember Castleberry said several constituents wanted to look at an option to fully fund a storm water program, stating Option C only funds approximately \$6.6 million and to fully fund a SWU the City needs \$7.3 million.

Councilmember Castleberry said the alternate proposal includes the following;

- Residential parcels – three (3) tiered rates;
- Non-residential parcels – four (4) tiered rates;
- No exemptions – all parcel owners pay;
- Provisions for low income customers; and
- Appeal process available that is simple and accessible.

Councilmember Castleberry said the monthly SWU for residential would be \$3.00 to \$15.00 and non-residential would be \$20.00 to \$300.00. He said the total yearly revenue would be \$7.5 million; the alternate proposal would earmark 30%, or \$2.25 million, to be used only for enhanced maintenance in neighborhoods and capital projects.

Councilmember Castleberry said the alternate proposal fully funds the proposed annual City SWU budget for five (5) years with no rate increase anticipated. He said 100% of residential customers will pay \$15.00 or less; 67% of non-residential customers will pay \$50.00 or less, which protects small businesses. The top 33% of non-residential customers will pay 37.5% of the costs and the top two (2) tiers of both

Alternative Proposal, continued:

types of customers will pay \$46.5% of the costs. Councilmember Castleberry said 48.5% of the SWU is paid by residential, while 58% of the ERUs are residential. He said 51.5% of the fee is paid by non-residential, while 42% of the ERUs are non-residential. Councilmember Castleberry said 30% of revenue collected will be required to go for enhanced maintenance in neighborhoods and capital projects; which will be earmarked in a separate capital fund for those purposes only. A cap on residential and non-residential would recognize the extra costs that larger properties are assessed upon construction. Councilmember Castleberry said the General Fund would be relieved of storm water burden and the money can be used for other City functions such as parks, roads, code compliance, etc. He said average residences in Norman would pay a monthly SWU of \$8.33 versus \$5.75 for Option C. Councilmember Castleberry said in order to have a fully funded SWU program; the residents will pay a little more each month and felt this proposal would be another option for citizens to consider.

Public Comments:

How can you spend public money on private property? Mr. O'Leary said an example came before Council recently; the Cambridge Addition Homeowners Association (HOA) in Ward 3, requested the City partner with them to address and repair a concrete flume that was flooding some of the properties. He said the City Attorney's office and representatives of the HOA developed an agreement and a funding plan and Council approved the contract with Cambridge Addition HOA. Mr. O'Leary said the 50/50 agreement allows the City to enter private property and spend public dollars within the HOA and felt this could be the model used for future neighborhood and/or HOA maintenance.

Del City and Midwest City draw water from Lake Thunderbird. Will these two (2) cities be brought into the discussion and invited to participate in the cost? Mayor Rosenthal said the Central Oklahoma Master Conservancy Board (COMCD) manages Lake Thunderbird and has representatives from Norman, Del City, and Midwest City. All three (3) cities draw water from Lake Thunderbird; however, Del City and Midwest City do not contribute storm water to Lake Thunderbird; therefore, the two (2) cities cannot be expected to pay a SWU for/to Norman, as well as pay a SWU to their cities (Moore and Oklahoma City). She said Del City and Midwest City are very concerned that Norman addresses the storm water issue(s) because of the water quality impact on Lake Thunderbird.

How much impervious area is in each tier on the Alternate (Castleberry) Proposal and what percentage of funds raised go with each tier? Mr. Sturtz said Staff did not consider the impervious surface for each tier on this proposal. Mayor Rosenthal said funds raised by the SWU will go towards improvements to the entire system City-wide, rather than only improvements to a specific tier.

HOAs maintain portions of the storm water drainage. Will the City assume maintenance of these areas if a SWU is implemented or will the neighborhoods be double assessed? Mr. O'Leary said the City would ask the neighborhood or HOA to make the improvement(s) to a major system, i.e., a dam, etc., and the City would offer to loan the money to the HOA. He said each of the homeowners in the HOA would pay back the entire funding to make the repair and once the dam is repaired and meets City and State standards the City Council would be asked to assume ownership and maintenance of the dam, not the lakes, trails and/or open spaces, only the dam. He said the City could also participate in smaller neighborhood projects such as repairs to flumes or pipelines within the detention basins; however, the City would not assume the ownership and maintenance once the repair was completed, rather the HOA would continue to own the private spaces.

Public Comments continued:

Will there be an initial storm water impact fee on new development? Mayor Rosenthal said there currently is not a SWU impact nor is a SWU impact fee proposed for new development. Mr. O'Leary said new developments are required to build storm water pipelines, as well as detention basin and/or ponds when applicable, that meet City standards for capacity, storm inlet design, etc. He said the City periodically updates the standards, as any city does, for the storm water system; therefore, new(er) developments, compared to twenty years ago, certainly pay more for the storm water infrastructure as well as the streets, water, and sewer systems.

What happened to the Alternate 1 Capital Improvement Fee? Is there still going to be a \$2.00 fee added to the monthly SWU fee? Mayor Rosenthal said in the online City of Norman Storm Water Management Survey results did not reflect a great deal of support for a \$2.00 capital fee in addition to a monthly SWU fee. She said the Alternate proposal highlighted by Councilmember Castleberry tonight would earmark 30%, or \$2.25 million to only be used for enhanced maintenance in neighborhoods and capital projects.

Where do the Tax Increment Financing (TIF) Districts fall into the SWU program? Schools are hurt by TIFs due to the way the state is structured. Citizens are forced to pay advalorem for schools. Citizens will then pay storm water money and school will use money to pay storm water which is a double hit. Rate structure is my concern. Mayor Rosenthal said TIF Districts have impervious surfaces and just like any other development in the community; they would have their calculation of a rate and would pay that amount monthly.

Is there an oversight committee for the SWU Fund? Mayor Rosenthal said there is not a new and/or separate oversight committee; however, the Mayor and City Council will provide oversight. She said Council will oversee the SWU Fund as it currently does for the Capital Fund to determine priorities of the City.

Who determines the negotiated rate for OU and will it be done prior to a public vote? Mayor Rosenthal said OU pays for all of its utilities under a negotiated contractual agreement that they enter into once the City determines its own utility rates. She said OU will not be asked in advance of the City to determine what that rate will be to sign a contract rather they will presumably enter into negotiations with the City as they do for water, sanitation, and wastewater. Mayor Rosenthal noted that OU has a Phase II Permit and they are required to do storm water improvements as well as have a storm water program. She felt it will be necessary to acknowledge and recognize these requirements during the negotiation process.

Are Norman Public Schools and Norman Regional Hospital going to have a "capped rate"? Mayor Rosenthal said as mentioned before, this issue is still under Council discussion.

Why is the City of Norman pushing for an August 2016 vote on the SWU? Mayor Rosenthal felt this has been clearly stated in previous presentations, including tonight's, that the City is now under Federal and State mandates/requirements and an August 2016 vote will put the City in a position to begin collecting SWU in 2017, if voter approval is obtained.

Where is the equity for newer areas to pay to bring older areas up to standards and maintain them? Should the older neighborhoods be required to maintain their structures like areas with HOAs? Mayor Rosenthal said when older neighborhoods were developed; the storm water requirements were different and storm water requirements have become better over time. Mr. O'Leary said a SWU will make system-wide improvements and maintenance to the storm water system. He said all the neighborhoods, new or

Public Comments continued:

old, discharge into the major streams, channels, lakes, and rivers and all of Norman will benefit from improvements to the storm water system as well as benefit from the overall water quality.

At the April 5th study session, the budget given has a line item of \$800,000 for enterprise funds expenses. That is 12% of the budget. Is it for billing? Mr. Anthony Francisco, Finance Director, said the billing service for the Sanitation Utility, Water Utility, and Wastewater Utility are paid by the General Fund through a cost allocation charge to cover those expenses. He said this line item covers those charges.

Describe the increased volume of water downstream from a detention pond and how SWU fees will be used downstream? Mr. Sturtz said the City will be looking at stream stabilization projects that would help with erosion problems to include armoring the stream/creek banks with the most natural resources as possible so that they become more eco-friendly systems. He said regional detention ponds are listed in the SWMP and are projects that can be performed with a SWU. Mr. Sturtz said moving forward with the TMDL, the City will be looking at items such as building regional wetland facilities to help remove contaminants. He said the City repeatedly sees structures that are under-sized causing the water to over-top them and flood homes and a SWU will help repair and enlarge these structures thus reduce the flooding. Mr. O'Leary said one of the most important things to do is remove debris such as log jams from the channels and the City cannot get into the streams to remove the debris because the City does not have access/easements to the creeks/streams. He said 70% of the channels/streams in Norman do not have public drainage easements and acquiring these easements is included in the storm water program.

Can you describe what Imhoff Creek looks like now and what it would look like after improvements are made to the stream channel? Mr. O'Leary said one particular area of Imhoff Creek is now 30 feet deep with vertical walls; however, 40 years ago when the homeowner's purchased the property their 10 year old daughter was able to jump over the creek. He said there are several really bad portions of Imhoff Creek that will take a large amount of money to repair/stabilize (using natural materials) to keep the creek from eroding and deteriorating. Mr. O'Leary said another example is the West Main Street Bridge Project that will begin later this year and part of the project includes going 2,000 feet downstream to stabilize the Brookhaven Creek channel.

Will there be any credit for property owners that install a mitigation feature such as rain barrels or cisterns? Mayor Rosenthal said the general concept has been discussed regarding an engineered solution that retains/absorbs more water might be included in the appeals process.

Will the City allow property owners to install permeable driveways/parking and will the City prevent a HOA or POA from prohibiting the installation of such a surface? Mayor Rosenthal said Council has discussed that the appeals process can be utilized for a possible reduced rate if engineered or permeable surfaces are installed and the City would not prohibit HOA or POA from prohibiting the installation of such a surface

Will the rural residents in East Norman obtaining their water from their own well be taxed? If so, how since they do not have a water bill? Mayor Rosenthal said yes, a SWU is based on impervious surface run-off and an administrative process would be utilized to set up new utility customers/bills for those who do not use utilities such as sanitation, water, and wastewater.

Public Comments continued:

Schools do not generate funds, should they not be exempt from an additional charge? Concerned the school systems would have huge bills. Mayor Rosenthal said the question of a cap for public agencies is under consideration; however, at the end of the day the schools are contributing storm water to the system and the City must decide how to pay and maintain it.

Staff mentioned purchasing homes; can Federal Emergency Management Agency (FEMA) help with the purchases? Mr. O'Leary said Norman is currently working with FEMA and Oklahoma Emergency Management (OEM) on a Hazard Mitigation Grant Program for funding to assist with projects such as these. He said FEMA and OEM prefer buy-outs if they qualify because the real goal nationwide is to not build back where known flooding occurs but to remove the hazard and repetitive loss. It is a competitive program and Norman is in the early stages of the application process.

If a storm water utility is not funded, what does the City propose to cut from the budget to pay for storm water needs? Mayor Rosenthal said that will indeed be a question that Council will need to deliberate on if a SWU is not approved by the voters. She said new services, as well as new Staff positions, have been added in recent years and Council will have to discuss what may need to be cut from the budget in order to fund the required Federal and State mandates.

If fertilizer runoff is a primary contaminant, what fees are included for agricultural land such as sod farms, etc., in Norman? Mr. Sturtz said separate fees have not been set up directly for sod farms and are not included in the proposals; however, the City has a fertilizer ordinance and the regulations are being enforced. He said the City is focusing on the impervious surfaces but will continue to work with business as well as property owners to reduce the nitrogen and phosphorus coming off their properties.

Will the largest parcels such as Griffin Hospital and the Armed Forces Reserve Center pay? If so, this would take over \$31,000 a year out of mental health funding. Mayor Rosenthal said as it was indicated, there are large public parcels that contribute storm water to the City's storm water system and under the proposals those large public parcels will pay a SWU fee. She said Council has only discussed caps for Norman Public Schools thus far.

At the March 22nd study session, Mr. O'Leary said the new storm water budget included \$2.4 million in "wants" and \$2.5 million in "needs" – is this still an accurate statement? Mr. O'Leary said the current budget in FYE 2016 has \$2.4 and primarily is for Staff salaries, maintenance and fuel for equipment, and materials in order to maintain pipelines, channels, water quality, and public education processes the City currently does already.

Council approved this ordinance on first reading at the May 10th Council Meeting and the ordinance can possible be adopted on second reading in eight (8) days. How likely will Council consider making amendments to the ordinance and is making amendments on the "fly" really the best thing to do for a comprehensive ordinance. Mayor Rosenthal said a Council Conference is scheduled for this Thursday, May 19th to discuss SWU ordinance and any possible amendments that may be needed after tonight's public meeting.

As the representative for Cedar Lakes Estates, our addition is a prime example of development creating additional water in their community five acre lake. She and the other residents support a SWU.

Both Norman Forward and SWMP include trails and he does not believe trails needs to be in both plans because trails are not an essential part of an eco-system. Subdivisions are creating flooding issues for

Public Comments continued:

other subdivisions and the City needs to look more closely at what developers want to do. Mr. O'Leary said the trails option has been eliminated from the SWMP. He agrees that development standards in new subdivisions need to be increased and improved and Staff is currently working on that, not only for storm water, but for streets, water and sewer pipelines as well.

A lot of money has been taken away from schools and schools should be exempt from a SWU fee.

Are the City's parking requirements for new development too high? Mr. O'Leary said Norman's parking standards are 50 years old and outdated. He said when any site plan comes forward for commercial or non-residential there are standards for parking based on the use of that particular property, i.e., the size and use of the building will determine the number of parking spaces that are to be installed. Mr. O'Leary said his experience is many or most of the developments overbuild parking areas and exceed Norman's parking standards because they believe they need more parking, for example, Walmart will build parking lots to accommodate "Black Friday" parking. He felt the notion that the City's parking standards are higher than most cities is not accurate; however, he does agree the parking standards do need to be updated. Mayor Rosenthal said the Walmart example is one of the reasons why some feel that Option C is the most equitable and said if/when a SWU rate is capped on these businesses; they would receive an 80% to 85% discount on their SWU fee. She said a cap such as this can become an issue when trying to explain to other property owners that they must pay their full rate when large corporations receive a discount. Mayor Rosenthal said the online Norman Storm Water Management Survey results revealed that citizens felt that fairness is important.

Is the City of Norman committed to using natural materials in creek bed stabilization rather than rip-rap or concrete? Mr. O'Leary said yes, that is correct and stated that Council also adopted a Low-Impact Development Design Manual when the SWMP was adopted. He said whenever any storm water system is designed, whether it is bank stabilization or detention basin, the City encourages developers to use natural materials.

Norman citizens are benefiting from storm water services and have never paid a storm water fee, while other cities have been paying a SWU fee for decades. The City of Norman must take care of its infrastructure. If the SWU does not receive voter approval, what is Plan B? Mr. Steve Lewis, City Manager, said Staff has resubmitted the TMDL and SWMP to the State and are waiting to see the final action from them. He said if ODEQ stands firm on what we submitted, the City of Norman will have to enact and carry through with the mandates. However, if ODEQ modifies our submittal the City may see a little relief but City Staff does not know at this time what the implications will be. Mr. Lewis said the City takes this responsibility very seriously and ODEQ expects compliance; however, the State would rather see the City make progress than fine the City \$10,000 per day.

What feedback has the City and/or Council received from the larger churches, privately owned business regarding a SWU? Mayor Rosenthal said she has not been contacted by any businesses and she and City Staff offered to give a presentation and field questions at the Norman Chamber of Commerce, but the Chamber declined. She said it is important to recognize that the large billion dollar revenue-making entities, i.e., Hitachi, Astellas, Walmart, etc., are good corporate citizens but they are paying SWU fees in other communities.

Who pays for the storm water fee? Norman citizens and Norman businesses will pay for the storm water system via a SWU; however, business owners can pass some of the fee increases to their customers in the

Public Comments continued:

form of higher prices. It is time for Norman citizens and/or businesses to step up and pay for City infrastructure and storm water needs.

The business community is very supportive of a SWU; however, there will be a definitive impact on the Norman Walmarts as well as our local businesses, non-profits, and churches which will result in a downhill effect for consumers. The past three (3) months the SWU discussions have gone from zero to 100, creating somewhat of a "sticker shock" that may produce a distinct possibility of failure on the ballot.

Lake Thunderbird is in jeopardy and Norman needs to move forward and invest in our storm water system. I support a SWU and feel it is long overdue.

I see issues and interest on both sides of the SWU program; I am a resident who lives in The Vineyards Addition and I am here tonight representing Johnson Controls. Johnson Controls is fighting hard to bring jobs to Oklahoma as well as jobs to Norman. We recently received a \$2 million project approval and will bring 500 jobs to Norman over the next five (5) years. He said with Option C, Johnson Controls would pay \$35,000 a year and with the Alternate Option, Johnson Controls would pay \$3,600 per year. There is a large difference between the two (2) options presented tonight that Johnson Controls will pay and I would ask Council to look very closely at the options to make certain the City will be helping and not hurting the large and small business in Norman.

Mayor Rosenthal said she did want to clarify a statement regarding churches, non-profits and governmental entities. She said when all of those particular properties are tallied up; they make up 20% of the property in the City of Norman. She said Council has discussed the possibility of exempting these particular entities; however, doing so makes the SWU rates higher for residential and non-residential properties.

Mayor Rosenthal thanked everyone for coming to tonight's public meeting and appreciated all the comments.

Items submitted for the record

1. PowerPoint presentation entitled, "Norman Storm Water Utility (SWU) Public Meeting, dated May 16, 2016, presented by Shawn O'Leary, Director of Public Works, and Scott Sturtz, City Engineer

The meeting adjourned at 8:21 p.m.

ATTEST:



City Clerk



Mayor

