

## CITY COUNCIL CONFERENCE MINUTES

June 2, 2016

The City Council of the City of Norman, Cleveland County, State of Oklahoma, met in a conference at 4:00 p.m. in the Municipal Building Conference Room on the 2nd day of June, 2016, and notice and agenda of the 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.

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

ABSENT: None

Item 1, being:

### CONTINUED DISCUSSION REGARDING THE CREATION OF A STORM WATER UTILITY.

Mayor Rosenthal welcomed everyone to the meeting and highlighted items Council received consensus on at the May 24th Council conference as follows:

1. **Clarify language to allow the Storm Water Utility (SWU) rate assessed to a parcel to be presumptively billed to the holder of the City of Norman Utility account. City will bill someone other than the utility account holder such as a tenant, owner, or other responsible person upon receipt of proper documentation. Section 21-118(s) and Section 21-502(5).** Mayor Rosenthal said general consensus was reached on the draft ordinance language.
2. **Clarify definition of Governmental agency to exclude the University of Oklahoma (OU) and provide for a negotiated agreement considering impervious surface and efforts toward their own MS4 permit. Section 21-502(2) and Section 21-503(5).** Mayor Rosenthal said general consensus was reached on the draft ordinance language.
3. **Clarify that the appeals process is available for those who would like their rate calculated strictly on Equivalent Runoff Unit (ERU)s if they prefer that approach to a simplified tiered rate structure. Section 21-503(7).** Mayor Rosenthal said general consensus was reached on the draft ordinance language.
4. **Incorporate language to allow credit for best practices and LID practices in accordance with City Council adopted policy and allow credit for schools providing educational programs related to improving water quality or conservation in accordance with City Council adopted policy. Section 21-503(8) and (11).** Mayor Rosenthal said general consensus was reached on the draft language with the addition of language that would allow schools providing educational programs to receive a credit up to 100%.
5. **Included language to provide for the City Manager to identify and prioritize capital improvement or enhanced maintenance projects as funding would allow for Council consideration as a way to assist Homeowner Associations (HOA)s with their issues. Section 21-503(9).** Mayor Rosenthal said general consensus was reached on the draft language with the addition of language that would require capital improvement and enhanced maintenance projects to be prioritized according to the criteria set forth in the Storm Water Master Plan (SWMP). Additionally, Council discussed adding language to Section 21-503(10) clarifying that the City Manager would recommend a comprehensive stormwater management program that includes recommendations to policies for capital improvements, enhanced maintenance, cost sharing, assistance to property owner associations and individual property owners.

6. **Delay the effective date for application of the rate structure to July 1, 2017, for public schools (kindergarten to 12th grade) and for entities qualifying under 501(c)(3) of the Internal Revenue Service (IRS) Code. Section 17.** Mayor Rosenthal said general consensus was reached on the draft language.
7. **Single family residential rates, school rates, and 501(c)(3) rates will be capped at \$300 per month, and non-residential and governmental agencies rates (except for the City of Norman facilities) will be capped at \$850 per month. Section 21-118(c).**

Ms. Kathryn Walker, Assistant City Attorney, highlighted Item 8 as follows:

8. **Access easement language and the expenditure of Stormwater Utility Fund money. Section 21-504.** Potential language has been added to address the concern that property owners that would receive a benefit from the City's maintenance would also be paid a premium (based on appraised value) for providing access for such work. Ms. Walker said basically, if the City of Norman does a project that will benefit the property owner, e.g., Imhoff Creek behind their property, etc., the City will not pay the property owner for an easement in order to access Imhoff Creek; instead the property owner will grant access in exchange for the project/maintenance benefiting their property. She said this will save the City time and money from having to get an appraisal and paying the appraised value which can be high.

Councilmember Allison asked what the City would do if the property owners did not give access and Ms. Walker said the City would not provide maintenance, e.g., clearing debris from the creek, etc., to that particular property. Mr. Jeff Bryant, City Attorney, said Item 8 only comes into play if SWU money is being used for a storm water project that will benefit the property owner. He said property owners already have the responsibility to maintain the easements even if they are located in the floodway; however, if SWU money is used and will benefit their property the property owner must give the City access to complete the maintenance.

Mayor Rosenthal asked if Council had any questions about the rate structure, stating it is currently in the proposed ordinance. She said a lot of input has been received from both citizen(s) and Council that the rate structure is complicated; therefore, in an effort to address the issue, Staff has simplified and made changes to the rate structure.

Councilmember Miller said a lot of constituents have indicated they preferred a flat rate or a rate that is more tiered. She was concerned about the number of tiers although she understands the concept behind it; however, the voters will need to understand the rate structure to gain voter approval. She said she did some additional research as to what other cities have done regarding a SWU rate tier and worked with Staff to bring forward a rate structure taken from Option C based on an ERU of \$5.00.

Mayor Rosenthal clarified that Tiers D and E are not a \$300 and \$800 rate respectively, but rather the maximum based on the \$5.00 ERU in those brackets. She said there are approximately 22 properties that would reach the caps, e.g., Department of Mental Health, Moore-Norman Technology Center, Norman High and Norman North High Schools.

Councilmember Heiple felt it is important to bring the SWU forward and keep the rate structure more simple. He understood tonight's rate structure proposal will be less revenue; however, it will be more digestible and less of a sticker shock for citizens.

Councilmember Lang said storm water is an infrastructure need and whatever we can do to make it digestible is best. He said he prefers the simpler method.

Councilmember Castleberry said he is hearing people say they are willing to pay for unfunded mandates and water quality and support General Obligation (GO) bonds for capital improvements. He asked how HOAs will have assurance they would get their issues fixed. Councilmember Miller said everyone will benefit from an

effective storm water system. Mayor Rosenthal said without a SWU program the City will never be able to help HOAs with their problems. She said a SWU will allow the City to work with the neighborhoods on the basis of priorities to address public safety issues and long overdue maintenance.

Councilmember Holman asked what incentive there is to create less impervious surface if there is a cap. Looking at parking requirements is one way to address this. He said he would eventually like for this utility to pay for itself and not be subsidized by the General Fund.

Mayor Rosenthal requested Council direction as to what draft to bring forward – new proposal?

Councilmember Holman asked when the other utilities were created and Mr. Anthony Francisco, Finance Director, said enterprise funds, i.e., sanitation, water, and wastewater, were created in 1988.

Councilmember Allison said run it like a business and if the revenue is not there, the City will not do certain things – businesses do not normally make a profit in year one.

Mayor Rosenthal said there is consensus to draft ordinance with the new proposal.

Items submitted for the record

1. Norman City Council Conference outline dated June 2, 2016
2. Ordinance O-1516-40 annotated
3. Revenue Projection – Anticipated Appeal, Simplified Rate Structure Based on Parcel Tiers A-E
4. Option C

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The meeting adjourned at 4:45 p.m.

ATTEST:

  
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City Clerk

  
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Mayor

