

CITY COUNCIL
BUSINESS AND COMMUNITY AFFAIRS COMMITTEE MINUTES

November 1, 2013

The City Council Business and Community Affairs Committee of the City of Norman, Cleveland County, State of Oklahoma, met at 9:00 a.m. in the Municipal Building Conference Room located at 201 West Gray on the 1st day of November, 2013, and notice and agenda of the meeting were posted in 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:	Councilmember Williams and Chairman Griffith
ABSENT:	Councilmembers Castleberry and Heiple
OTHERS PRESENT:	Mr. Trey Bates, 3720 Timberidge Drive Mr. David Caddel, David Caddel Homes Mr. Don Cervi, Heritage Fine Homes, L.L.C. Mr. Tony Foust, DaVinci Homes Mr. Curtis McCarty, C.A. McCarty Construction, L.L.C. Mr. Steve Mohr, Mohr Construction, L.L.C. Mr. Chuck Thompson, President, Republic Bank Mr. Don Wood, Executive Director, Norman Economic Development Coalition Mr. John Woods, Executive Director, Norman Chamber of Commerce
STAFF PRESENT:	Mr. Terry Floyd, Development Coordinator Ms. Jane Hudson, Principle Planner Mr. Ken Komiske, Director of Utilities Mr. Steve Lewis, City Manager Mr. Scott Sturtz, City Engineer Ms. Kathryn Walker, Assistant City Attorney Ms. Syndi Runyon, Administrative Technician IV

Item 1, being:

DISCUSSION REGARDING GREEN BUILDING PRACTICES DESIGNED TO ENCOURAGE WATER CONSERVATION AND POLICIES DESIGNED TO INCENTIVIZE SIMILAR PRACTICES.

Mr. Steve Lewis, City Manager, said the subject of green development was brought up at the Council Retreat on August 24, 2013, with a particular focus on ways to incentivize green development to promote water conservation.

Mr. Terry Floyd, Development Coordinator, said some examples of incentives for residential/non-residential projects include rebates for replacement of plumbing fixtures; replacement of existing turf with drought tolerant varieties; cistern and rain barrel use; replacement of inefficient irrigation systems with more efficient technologies (e.g., conversion to drip systems or removal of irrigation zones); encouraging use of gray water systems; and use of xeriscaping and drought tolerant landscaping methods.

Item 1, continued:

Mr. Ken Komiske, Director of Utilities, highlighted current water conservation efforts. He said the Environmental Control Advisory Board (ECAB) has distributed 800 rain barrels. He said ECAB packets consisting of a shower head, an aerator for faucets, a toilet tank dam, and dye tablets to detect leaks were sold for \$5.00 several years ago and although water saving results were good there was not a huge interest in the packets by the public. He said a drought tolerant landscaping plant list was updated in April 2013, and Council is considering going to a full time Odd/Even Watering Program. He said the City has an ordinance requiring rain sensors and freeze gauges on commercial irrigation systems. He said waterless restroom facilities are beginning to be utilized by larger consumers such as the University of Oklahoma (OU) and many restaurants. He said OU's water usage has decreased because they no longer use trays at their food center areas so they no longer wash trays which saved a huge amount of water. He thanked Councilmember Griffith for placing a conservation tip on the front page of The Norman Transcript every Saturday. He said that puts water conservation in the minds of people and Staff appreciates that. He said other public education efforts include Water Wise Workshops and "Water's Worth It" events.

Mr. Floyd said some contingencies to think about is doing the program on a temporary basis based on whether or not the City is in a drought cycle. For example, Austin, Texas, had a pilot program that enabled a turf replacement option for dead lawns as part of their landscape rebates. These rebates have been discontinued, but this is an example of something that can be done on a temporary basis. He said budget and personnel would need to be available to implement the program to ensure programs are being adhered to properly. There will need to be education of potential program users on program requirements and other standards that may encourage water conservation as well as encouraging water conservation habits after the rebate program. He said after the Turf Replacement Program in Austin was discontinued, it was discovered that if the irrigation was not capped or changed, people continued irrigating drought tolerant species as if they were a non-drought tolerant species so the program was really ineffective.

Mr. Floyd said there are a number of cities across the country that have different types of rebate programs and Staff chose Austin, Texas, San Antonio, Texas, and Prescott, Arizona, as examples of what these programs look like. He said the Austin Water Utility has a residential program that offers a landscape rebate; free showerheads and faucet aerators; installation of pressure regulating valves; rainwater harvesting system rebates; irrigation system improvement rebates; free soil moisture meters, watering bags, digital garden hose meter, and sunlight calculator; water timer rebates; and pool cover rebates. He said non-residential programs include an audit of water conservation for any commercial, industrial, or institutional facility; rebates for water and energy saving coin-operated washing machines; installation of pressure regulating valves for multi-family facilities; and rainwater harvesting system rebates.

Mr. Floyd said San Antonio's Water System residential program offers swimming pool filter replacement rebates; residential irrigation design rebates; landscape rebates; free water efficient toilet distribution; free water efficient fixture distribution; and free water audit of home usage. Non-residential programs include a Commercial Toilet Retrofit Program; commercial rebate of up to 100% of installed water saving equipment; Water Saver Car Wash Program; Cooling Tower Audit Program; commercial irrigation design rebates; and a Water Saver Restaurant Program. Mr. Floyd said the efficient toilet distribution program is a common rebate program among communities as well as free showerhead and faucet aerators.

Item 1, continued:

Mr. Floyd said Prescott's residential and non-residential programs offer landscape conversion to automatic drip systems; rebates for Certified Irrigation Audits; turf removal on-site and in adjacent right-of-way; rotator sprinkler spray replacement; leak repair rebate; low flow toilets or high efficient toilets and/or dual flush toilets; commercial urinals; and low flow – low tech water smart device. He said Prescott usually has 19 inches of annual rainfall.

Chairman Griffith said rebates and incentives sounds like a wonderful program and assumes the money comes from the cities so at some point he would like to have a conversation on how to work that into the City's budget. Mr. Floyd said some cities pay by rebate check, but the City of Prescott reduces the customer's utility bill by the rebate amount.

Mr. Komiske said the 2060 Strategic Water Supply Plan outlines different scenarios for potential additional conservation savings and the scenarios are based on the level of spending on various re-use and conservation efforts. He said the scenarios range from 0.81 million gallons per day (mgd) in 2060 for a less costly conservation approach to 2.6 mgd for a large investment in conservation efforts. He said water conservation incentive programs could potentially help in some of these areas. He said the community and City are already doing things for water conservation, e.g., the new lagoon at Griffin Park for irrigation purposes. He said Austin and Prescott's water rates are 50% to 80% higher than Norman's and Norman does not have the revenue for those types of programs right now, but the programs are something the City can look at. Chairman Griffith said, to correlate, the more water the City encourages citizens to conserve, the less revenue the water utility receives. Mr. Komiske said 50% to 80% higher fees would compensate for that.

Mr. Komiske highlighted possible considerations for development of incentive programs as follows:

- Water rates charged for cities mentioned vs. Norman water rates
- Rebate amounts could be credited towards participants water bills
- Potential costs of Utility Authority to conduct programs
- Staffing required to inspect installations to ensure they are completed
- Administrative processing of credits, payments, and/or materials dispersed
- Annual tracking of participants or a sample of participants to gain insight into actual water savings

Mr. Komiske said the City's utility bills are not as user friendly as Oklahoma Gas and Electric (OG&E) or Oklahoma Electric Cooperative (OEC). He said it could initially be costly, but felt the City should revamp its utility bills to include graphs for comparison of how much water a customer uses month to month. He said OG&E and OEC use graphs and have an average customer billing comparison as well. He said these types of visual aids would be tremendously helpful in making customers aware of how much water they are using and allows them to gain control of their bills by conserving water. Chairman Griffith asked the cost of providing that information on the bills and Mr. Komiske said that is something Staff would need to review. Mr. Lewis said the purpose of today's meeting was to give BACA ideas on what incentives are being given around the country. He said Staff needs to do further review on what incentives are most effective and public input will be needed. Councilmember Williams said he would be curious to know how well comparison graphs are received as trends move towards more online bill paying. He does everything online and rarely opens a bill and looks at it. He would hate to spend a lot of money on revamping bills that people are not looking at and Mr. Komiske said that is a good point.

Item 1, continued:

Mr. Komiske said it would take at least a year to determine if the conservation program is actually saving water as there is no instant gratification. Councilmember Williams asked if it would really take one year to determine water savings on programs that consist of shower heads, faucet aerators, etc. He said the City should be able to calculate savings using the three months prior and the three months after the items are installed because they are used indoor and have nothing to do with weather. Mr. Komiske said weather is a huge factor in how people use water and Staff compares the three winter months it is assumed outdoor irrigation is not done so in order to determine savings, the comparisons are made for those winter months each year. He said it actually takes about three years to determine savings based on that formula. He said results were good for the packets ECAB distributed years ago with a savings of \$3.00 per customer over those three winter months; however, the public is not interested in purchasing a packet for \$5.00 for a savings of \$3.00 over a three month period.

Mr. Curtis McCarty, C.A. McCarty Construction, L.L.C., said the City has an ordinance requiring rain sensors on sprinkler systems, but systems are not inspected to ensure this requirement is being met. He drives by houses all the time where irrigation systems are running in the rain and he believes there are probably only a handful of irrigation systems that have the rain sensors installed. He asked why the City has an ordinance if it is not enforced. He said irrigation systems installed prior to the ordinance would be a good candidate for some type of rebate program. Mr. Mohr, Mohr Construction, L.L.C., said he has heard the rain sensors do not always work and Mr. McCarty said they do if they are activated correctly and checked annually. Chairman Griffith liked the idea of incentivizing a retrofit to existing systems installed prior to the ordinance.

Mr. McCarty said toilets and washing machines use a lot of water and suggested that every permit issued for a residential remodel require the resident to change existing toilets to low flow toilets. Mr. Mohr said if a person is not remodeling a bathroom they are not going to want to change out toilets and if the City were to require changing out toilets on every permit for a remodel they can expect a lot of phone calls from unhappy citizens. He likes the idea of incentives, but felt the City needed to be realistic. Chairman Griffith said incentives need to be cost effective for the consumer and provide the inspiration to do something more to save water.

Mr. Trey Bates, 3720 Timberidge Drive, encouraged Staff to look at all the tools they have in terms of incentive opportunities with a revenue stream that would be available without taking money out of the City's pocket, e.g., reducing permit fees in exchange for conservation measures that may be above and beyond what would otherwise be required. He said the economics of conservation ultimately means raising rates because the City is incentivizing people not to use water. Mr. Chuck Thompson, President of Republic Bank, said the City needs to be careful and not confuse the public by telling them the less water they use, the less revenue the City makes, but at the same time the City wants them to conserve water. Chairman Griffith agreed and said a conversation about rates needs to be part of the process because rates have to balance the revenue demands of the department.

Chairman Griffith asked where to go from here and Mr. Lewis said he would challenge Staff to go back and look at literature, research, and program evaluations to determine which ones would give Norman the best bang for the buck. He said the City wants to create community awareness and discussion about the issue.

Item 1, continued:

Councilmember Williams suggested inspections on rain sensors begin immediately and Mr. Komiske said he did not know how that would be handled and is something Staff will have to discuss. Councilmember Williams said most irrigation installation takes place prior to spring so this would be a good time to start making sure inspections are done. He asked if permits are pulled for installation of irrigation systems and Mr. McCarty said permits are pulled by plumbers for installation of a backflow preventer, but plumbers do not install the irrigation systems. He suggested irrigation systems be inspected for rain sensors at the same time the backflow preventer is inspected. Mr. Mohr said rain sensors can be easily inspected on new homes or new commercial projects as part of the final inspection process. Mr. McCarty agreed and said inspections of the backflow preventer and rain sensor should be tied together in some way. Mr. Mohr said Norman has to start protecting its water supply and Chairman Griffith agreed that the focus of incentives should be about saving the resource and money will be saved at the same time.

Chairman Griffith asked Staff to compile the best cost effective proposals to be reviewed at the next meeting.

Items submitted for the record

1. Memorandum dated October 24, 2013, from Terry Floyd, Development Coordinator, through Steve Lewis, City Manager, to Council Business and Community Affairs Committee
2. PowerPoint entitled, "Incentivizing Green Building Practices, Water Conservation Efforts," Council Business and Community Affairs Committee, November 1, 2013

Item 2, being:

DISCUSSION REGARDING A TOPIC FOR THE BUSINESS AND COMMUNITY AFFAIRS COMMITTEE (BACA) MEETING ON DECEMBER 6, 2013, – ITEMS TO BE ASSIGNED TO THE ECONOMIC DEVELOPMENT ADVISORY BOARD (EDAB).

Mr. Floyd said assignments for the Economic Development Advisory Board (EDAB) were another topic discussed at the August Council Retreat. He said a few suggestions included assessing whether the City has the best available analytical tools for economic development and recommending possible strategies for developing a public-private partnership for Campus Corner parking structure.

Councilmember Williams thought EDAB would determine what they will talk about and bring recommendations to Council.

Chairman Griffith said the suggested topics are relevant and he would like EDAB to move forward with those and he would especially like to see progress on the parking structure.

Mr. Lewis said Staff can break general topic items into tiers and bring those back at the next meeting for BACA's review. Councilmember Williams said the Campus Corner parking structure was a high priority subject at the Council Retreat so EDAB could begin discussion on that while Council thinks about other topics of discussion. Mr. Lewis agreed and said those discussions could interface with OU's high density discussions. Mr. Thompson said OU discussions are actually about rezoning, not high density, and inside of the rezoning discussions will be conversations about high density, parking and transportation issues, multi-use retail development, etc. He said EDAB discussing a public/private partnership for a Campus Corner parking structure is appropriate, but they should keep that in the larger context of parking and transportation issues throughout Campus Corner. Mr. Lewis said Mr. Thompson is correct and it is all about "creating the place" that includes much more than high density and at some point that concept needs to be rebranded.

Item 2, continued:

Chairman Griffith asked if EDAB assignment topics should be reviewed and discussed by the entire Council at a Study Session or Conference or come back to BACA and Councilmember Williams felt discussion at a Study Session with the entire Council would be the most expedient process.

Mr. John Woods, Executive Director, Norman Chamber of Commerce, suggested EDAB review a cultural facility in the University North Park Tax Increment Finance (UNPTIF) District as far as what type of facility is needed. He said as far as parking facilities go, EDAB could look at the economics of location of a facility, how many stalls would be needed, how it would be paid for, if or how much people would be charged to park there, etc.

Items submitted for the record

1. Memorandum dated October 24, 2013, from Terry Floyd, Development Coordinator, through Steve Lewis, City Manager, to Council Business and Community Affairs Committee
2. PowerPoint entitled, "Incentivizing Green Building Practices, Water Conservation Efforts," including December BACA Meeting Topic – EDAB Assignments, Council Business and Community Affairs Committee, November 1, 2013

Item 3, being:

MISCELLANEOUS DISCUSSION.

None

The meeting adjourned at 9:55 a.m.