

## CITY COUNCIL CONFERENCE MINUTES

May 14, 2009

The City Council of the City of Norman, Cleveland County, State of Oklahoma, met in conference at 5:45 p.m. in the Municipal Building Conference Room on the 14th day of May, 2009, 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 Butler, Dillingham,  
Kovach, Quinn, Mayor Rosenthal

ABSENT: Councilmembers Cubberley, Ezzell,  
Griffith, and Thompson

### PRESENTATION FROM BRYAN MITCHELL, CAMP, DRESSER AND MCKEE, OF THE REGIONAL RAW WATER SUPPLY STUDY FOR CENTRAL OKLAHOMA FINAL REPORT.

Mr. Steve Lewis, City Manager, said the City of Norman participated in a memorandum of understanding with other cities in the metro area to form the Central Oklahoma Water Resource Authority for the purposes of seeking a regional solution for water needs. He said some of the issues to be discussed tonight in one form or another include reservoir development; recreational benefits of water; maintaining lake levels; the management of stream water and ground water including the protection of property rights; the impact of water sales to Texas; large cities versus rural water districts; the State versus tribal property rights; protection of wildlife habitat; funding for infrastructure; sustainability management; climate change; and monitoring and gauging stations. The Central Oklahoma Water Resource Authority (COWRA) entered into a contract with Camp, Dresser, and McKee for the preparation of the Regional Raw Water Supply Study. He said the Study is now complete and introduced representatives from Camp, Dresser and McKee (CDM) - Mr. Bryan Mitchell who will present the results of the Study and Ms. Diane Kemp who will present the financial analysis.

Mr. Mitchell began his presentation with an overview of the Oklahoma Comprehensive Water Plan and said the policy included local and regional public input meetings and is currently in the planning workshops phase, to be followed by Town Hall meetings and policy recommendations. He said the technical studies portion includes the research, water supply demand analysis, and a public water supply assessment. He said this Plan is a statewide Plan, which has received thousands of public comments combined with expert technical evaluations to determine a reliable water supply. He said the study looks ahead to meet the State's future water needs through year 2060. Mr. Mitchell said the guiding document is the Programmatic Work Plan, which is a living document as a technical work roadmap co-funded by the Oklahoma Water Resources Board and the U.S. Army Corps of Engineers. In 2008-2009 the Work Plan focused on defining demands and projecting supply shortfalls and in 2009-2010 the work will identify solutions on a watershed and provider level. He said not all of the tasks outlined in the Programmatic Work Plan will be completed by 2011. There are a total of 82 water basins in Oklahoma and the planning process will provide a FACT sheet for each basin to identify hot spots, areas that do not have enough water to meet the demand, to explore causes and solutions. He said the Oklahoma Comprehensive Water Plan is expected to be submitted and accepted by the Governor in 2011.

Mr. Ken Komiske, Director of Utilities, highlighted the Southeast Oklahoma Water Solution process and said the Norman Utilities Authority (NUA) approved a contract with CDM to prepare the Norman 2040 Strategic Water Supply Plan, which was accepted by the NUA in February 2001. He said the Plan included water usage projections and demand through 2060 and six alternatives for Council's consideration - Plan A, do nothing; Plan B, drill more wells into the Garber Wellington; Plan C, purchase water from southeast Oklahoma; Plan D, purchase water from the Hugo Reservoir; Plan E, purchase water from the South Canadian 2 Reservoir; and Plan F, purchase water from the South Canadian 1 Reservoir. He said Council's short range plan was to drill more wells into the Garber Wellington aquifer and the long range plan was to purchase water from southeast Oklahoma. He said the City is currently drilling additional wells in the aquifer as part of the Water Wells Project.

Mr. Mitchell said the Regional Raw Water Supply Study takes a different approach. It looks at the collective needs of all members of COWRA and each participant realizes the need to collectively address water supply needs in order to ensure their individual and collective strengths. The adopted mission statement of COWRA is "To engage in a facilitated process which recognizes the broad differences in group members and allows us to make informed decisions on participation (opt in/opt out) in a regional water supply project with particular consideration to cost and timing." He said the Regional Study addresses the availability of water, water rights, cost, and sustainability. The Study recognizes the need for the availability of water and analyzes how much water is needed to meet the participants' needs. He said the projected demands for the participants are 315 mgd and the existing water rights include approximately 200 mgd.

Mr. Mitchell said the Report addresses the best means to capture water from chosen alternatives and the best means to deliver supplies to participants. He said the recommended alternative is D1, the water supply from Moyer's Crossing to Atoka and includes upgrades to the Stanley Draper Treatment Plant as the regional treatment facility. D1 is the least expensive alternative estimated at \$2.3 billion to be split amongst each participant based on water demand, treatment, and pipeline cost. He said there would be obstacles relative to endangered species to overcome along the pipeline alignment. The report identifies planning level costs for the following items:

- Sardis Debt Resolution estimated at \$70 million
- Source alternatives - Lake Sardis, Moyer's Crossing, Highway 3, or Lake Hugo
- Raw water transportation based on river crossings, pump stations, and alignment conditions for a 90 inch line parallel to the Atoka pipeline - \$1 billion
- Water treatment dependent upon the participants' choice of receiving raw or treated water
- Water delivery – regional treatment at Stanley Draper, new Regional Water Treatment Facility, or local treatment
- Possible operational costs – energy requirements for transmission, treatment, and conveyance; maintenance of pipeline and pump stations, and water treatment operation and maintenance.

Mr. Mitchell said one thing to be careful of is not to pick the least expensive capital project only to find out it is the highest solution to maintain and this was the reason for looking at operational costs. He said capital costs were defined for each participant in detail in the full report, which is a 50 year plan. He said the City of Oklahoma City has stated they will pay the cost for those cities who wish not to participate and opt out. Ms. Kemp highlighted Norman's proposed cost of \$360.3 million, calculated as a cost per 1,000 gallons, based on the D1 alternative. She said the projected cost per residence is based on an average monthly use of 6,000 gallons with the existing rate multiplied by the incremental percent required for the project.

Mr. Mitchell said the next step will be to formalize a trust agreement between participating cities and he provided a timeline of subsequent steps as follows:

2009	2010	2015
Secure Sardis and water rights	Initiate environmental studies and Permitting	Finalize designs
Finalize source alternative and alignment	Initiate Atoka pipeline design	Finalize Atoka related environmental studies
Initiate Program Management	Initiate alternative pipeline route Acquisition	Initiate Atoka pipeline construction
Initiate survey data collection	Public outreach	Initiate source water pipeline permitting
	Debt issuance for studies	Debt issuance for construction

Mr. Mitchell said some of the expenses, such as upgrades to the Stanley Draper Water Treatment Plant and the current pipeline from Atoka, could be deferred and bonds could be issued to pay for the earlier expenses. He said it is important to get started soon as water demand is expected to exceed current supply by 2030 and the current pipeline from Atoka could reach 100% capacity by 2020.

City Manager Lewis said at one point it was thought getting the water from Lake Sardis would meet all the needs, but now it's more from Sardis plus the Kiamichi River. He said the benefit of pulling it from Moyer's is to get the free flow from the river when flows are high, which would not pull water from Sardis at those times.

Councilmember Butler asked whether it was possible to drop water into Lake Thunderbird before it gets to Stanley Draper. Mr. Mitchell said those types of alternatives would most likely be discussed during negotiations as part of the design phase. Mayor Rosenthal said for Council's perspective, this would come into play more during the development of the trust agreement and Council would need to have more discussions related to the details. Mayor Rosenthal said the study CDM was hired to prepare only included modeling how to get the water from southeast Oklahoma to the metro area and this study does not take into consideration changes in conservation practices or possible reuse in the future.

City Manager Lewis said additional meetings will be held that will include discussions with the City's Finance Advisor as Council considers Norman's role in the water solution prior to signing the trust agreement. Councilmember Kovach said he would like to see a timeline to meet the 2009 goals.

Mr. Mitchell recommended a water model be conducted to determine what capital projects need to be programmed to receive the water as it comes into the community.

Mayor Rosenthal said one other issue that has been raised in Norman is the possibility of water reuse and Councilmember Butler asked if Staff could provide preliminary cost estimates for reuse of effluent.

Items submitted for the record

1. Regional Raw Water Supply Study for Central Oklahoma Final Report dated March 2009 prepared by Camp, Dresser and McKee for the Central Oklahoma Water Resource Authority
2. PowerPoint presentation broken down in three sections entitled, "*Oklahoma Comprehensive Water Plan*," "*SE Oklahoma Water Solution*," and "*Regional Raw Water Supply Study for Central Oklahoma*" dated May 14, 2009

The meeting adjourned at 7:20 p.m.

ATTEST:

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City Clerk

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Mayor