

January 24, 2003

The special scheduled meeting of the Board of County Commissioners was called to order this 24<sup>th</sup> day of January, 2003, in the conference room of the County Office Building by the Chairman Leroy Krohmer. Roll was called by Dorinda Harvey, County Clerk/Secretary and those present were:

Leroy Krohmer, Chairman  
Bill Graves, Vice-Chairman  
George Skinner, Member  
Dorinda Harvey, Secretary

Others present were: Kerrie Hudson, Denise Ellison, J. Brent Clark, Kris Marek, Anthony Franciso, Brad Gambill, Lester Vaughn, Doug Cubberly, Susan Hendon, David Parker, Bob McGrew, Bob Wade, John Bachel, R. P. Hendrick, John Robinson, Ken Jones, Jeannie Kovacs, Don Wood, Mike McDanel, Lindsay Bailey, Blaine Nice, and John Harrington.

Chairman Krohmer began the meeting with the Pledge of Allegiance.

Chairman Krohmer called for Status Report of project from Bob Hendrick, Consulting Engineer.

Bob Hendrick stated that the general concept to date is to tap into the Oklahoma City line under pressure at Draper Lake then go east on 149<sup>th</sup>, south generally along Peeble Road until it gets near the lake and then move, come around Highway 9 then go south for the second phase on what is called in places Choctaw Road. The source of treated water at Oklahoma City has a base rate of about \$1.60 per thousand gallons. The City of Norman also has a treatment plant at 26<sup>th</sup> and Robinson. The other source is ground water with some horror stories about arsenic and other pollutants. Several groups have been spoken to, the meetings were to find out who wants water, how much water (that sets the size of the pipe, right-of-ways, and other facilities), the ultimate price of water, what type of deal Mr. Clark can set with Oklahoma City, the payback cost, and operations and maintenances cost. The Absentee Shawnee's have reported that their needs are intimate and have expressed extreme interest. Brent Clark with Floyd Law Firm complimented Mr. Hendrick on the good job of framing what has been set out to do. Mr. Clark and Mr. Hendrick would report that there is a demonstrated need for the water, there are options as to where to get the water, and some real promising possibilities of grant money for financing. Mr. Clark and Mr. Hendrick would like to present the idea of authorizing them to go forward with the creation of an entity to own and operate the facility, which would be the Cleveland County Utilities Authority regardless of whom the water is purchased from. The most viable option at this point is a county beneficiary public trust to own and operate the system. They are also recommending that a steering committee be appointed that can meet informally and report back to the Board in the future. Mr. Clark stated that the City of Norman has also expressed the willingness to explore providing the water, so now at least two sources are identified willing to sell water.

Brad Gambill, Director of Utilities with the City of Norman, stated that wells and lines are being built east and northeast of Norman because this is where the best quality of water is in the Garber Willington. The City of Norman and its Citizens through their rates are paying for a large expenditure in the wells. The wells are generally 500 to 700 feet deep. There is no arsenic problems east of 36<sup>th</sup> Ave., arsenic problems are generally along I-35 and Highway 77 to the west side of the aquifer and most of them are on the extreme west side. Norman is working within its corporate limits to move its water system east. Establishing this district within the corporate limits of Norman causes Mr. Gambill a little bit of legal perplexity. How much will Norman be blocked from future services? Mr. Gambill thinks the proposal would be to investigate ground water wells in that vicinity, do test wells and evaluate them. These wells cost approximately \$200,000.00 each. The City would manage and operate the wells, construct the pipeline, but would need financing support to do it. This does not address going south on Choctaw Road it is primarily the City of Norman area and its corporate limits. It does not address Lexington or the prison facility but does address the parks and recreation area. The City does have some concerns, the fire protection, size of lines, flow, demand, and Mr. Gambill knows that the sovereign community there is planning on some construction. The City of Norman would like the option to look at this and see if they could lower the cost because if you pay \$1.60 per thousand gallons with a contract with Oklahoma City with an increasing rate of 3% which is generally what is charge, then throw in, in phase I, 14 or 15 miles of pipeline at \$50.00 a linear foot, just for the pipeline along it will be 3.6 or 3.7 million dollars estimated plus the cost of water. Mr. Gambill continued with all of the coordination's that needed to be worked out.

Mr. Krohmer stated that the Board's situation is a little different than the City of Norman; the Board has the whole county to represent. Mr. Krohmer wanted to know about the people east of Noble and in Lexington will the City of Norman be able to sell them water.

Mr. Gambill stated that would be up to the City Council and Norman Utilities Authority, right now the only service that the City provides outside the corporate limit are at 200% of the City's cost.

Bill Graves told about all of the water problems he has had inside the city limits of Norman and he found it amusing when he received his letter from the City about providing water because the City hasn't done a very good job of providing water to him.

Mr. Gambill responded to Mr. Graves explaining how everything had been fixed, with new well, etc.

Mr. Graves stated that he is all for this project and if the Utilities Authority does develop and wants to deal with Norman he is all for it.

Mr. Gambill continued by giving all of the rates for Norman and again stated the 200% outside the corporate limits. Mr. Gambill stated there are also contract mechanisms available. Chairman Krohmer asked Mr. Gambill if he understood that the more water you use the more it cost and Mr. Gambill replied yes because it cost more and it's a measure of conservation.

Mr. Krohmer stated that the sewer would not be used and wondered if that was the tax, Mr. Gambill replied it was strictly the water.

George Skinner stated that part of the project was going to a sewer system for some entities and asked Mr. Gambill if the City had that capability for wastewater and Mr. Gambill replied no, they would have to go to a lagoon or private system.

Brent Clark stated there has been one exploratory meeting and this is the second one, wastewater treatment is on the board for discussion at some future date. It seems that a lot of what is being discussed (all being consistent) is the desire to provide water. It may be that the Cleveland County Utilities Authority and the City of Norman end up in partnership, it is just not known after two meetings. The City of Norman could be the seller of water.

Mr. Gambill stated that as the City expands its water system and the Board expands its water system whatever the decision is going to be to serve the county, the city would like the privilege to serve its customers within the corporate limits.

Jeannie Kovacs, who works for the Absentee Shawnee Tribe as a tribal development officer, stated that one of the reasons that she is here is because there is a very serious interest in developing the tribe's own economic interest which also overlaps with the City of Norman and the City of Shawnee. They would like to emerge as a very strong stakeholder not only in their own endeavors but also in the endeavors of the central area simply because they believe they have untapped resources and that everybody can benefit from. One of those obviously is not a bingo parlor but a full-scale casino that has million of dollars in revenue, assets, and creates hundreds of jobs. They would like to build in the area not so much in the casino entity, but other interest that would be supporting economic development. In that support the infrastructure needs are integral for all, they can offer the City of Norman employment, infrastructure support in cost sharing, enhancement for tourism, and create a corridor between Norman and Shawnee. The economic diversity of the tribal development hinges on their infrastructure that is not only producing water, being a water vendor, but getting water not only to their tribal members but beyond the community at large (Noble, Lexington, east Cleveland County and all through the Thunderbird, Little Axe area) it benefits all to do so. The other component of that is wastewater and treatment facilities, because with development there will be impact on the environment. With what Mr. Clark has already said wastewater treatment is a part of this. She and her partner Ken Jones has gone to other meetings to explore some of the partnership capabilities that might or could happen.

Mr. Hendrick again went over the price of the water from Oklahoma City.

Mr. Krohmer stated that he would like to find out if Norman can supply the water out in the rural areas. He doesn't think there needs to be two vender (Norman and Oklahoma City).

George Skinner stated the Board needed to look at which would be the best and provide the best service.

George Skinner moved, seconded by Bill Graves, to table discussion, consideration, and/or Action by Board of County Commissioners with respect to the future authorization of the Cleveland County Utilities Authority.

The vote was: Leroy Krohmer, yes; Bill Graves, yes; George Skinner, yes.

Motion carried.

Chairman Krohmer called for discussion, consideration, and/or action on appointment of Steering Committee to explore (a) scope of need; (b) sources of potable water; (c) engineering and construction issues; (d) project costs; (e) sources of financing project costs including “seed money”; and (f) timeframe for construction and asked about “seed money”. Mr. Clark stated that he and Mr. Lindsay Bailey are interested in trying to identify some seed money. They will explore the possibilities for seed money, to form the trust, and get going. Bob Wade stated that the City of Noble is having a second series of test ran on their wells and it may indicate that they may have an arsenic problem. If that proves to be the case then Noble would have a major interest in this line as an alternate and probably be able to identify a pretty healthy quantity on a take or pay plan. If the arsenic problem is minor he still looks at the east side of the city limits of Noble and he thinks they would be a player in this. John Robinson with Pottawatomie County Rural Water District #3 stated that consideration might be made for a representative from the Citizens of the Pottawatomie Nations to be on the committee since their tribal lands encompass about 30% of Cleveland County on the east side. The Citizens of the Pottawatomie Nations and the Absentee Shawnee tribes might be privy to some finance funding to support their members living in Cleveland County and this might be helpful with phase II.

Bill Graves moved, seconded by George Skinner, to appoint the following to the steering Committee:

Jeannie M. Kovacs, Absentee Shawnee Tribe  
Ken Jones, Absentee Shawnee Tribe  
Susan Hendon, Lake Thunderbird State Park  
Bob McGrew, First Fidelity Bank, Noble Branch  
Barry Damrill, Little Axe Superintendent of Schools  
Bob Wade, Noble City Manager  
Walt Allen, Lexington City Manager  
David Parker, Oklahoma Dept. of Corrections  
Brad Gambill, City of Norman  
George Skinner, Board of County Commissioners  
Linda Capps, Citizens of Pottawatomie Nation  
Bob Annis, City of Purcell

The vote was: Leroy Krohmer, yes; Bill Graves, yes; George Skinner, yes.  
Motion carried.

George Skinner moved, seconded by Bill Graves, that the steering committee will meet on February 13, 2003, at 10:00 a.m. in the Commissioners Meeting Room.

The vote was: Leroy Krohmer, yes; Bill Graves, yes; George Skinner, yes.  
Motion carried.

There being no further information to come before the Board, George Skinner moved that the meeting be adjourned. Bill Graves seconded the motion.

The vote was: Leroy Krohmer, yes; Bill Graves, yes; George Skinner, yes.  
Motion carried.