

The McAlester City Council met in regular session on Tuesday, November 10, 2009, at 6:00 P.M. after proper notice and agenda was posted, November 5, 2009, at 11:21 A.M.

**CALL TO ORDER**

Mayor Priddle called the meeting to order.

**INVOCATION & PLEDGE OF ALLEGIANCE**

- Ruth Atterbury gave the invocation and lead the Pledge of Allegiance

**ROLL CALL**

Council Roll Call was as follows:

Present: Chris Fiedler, Donnie Condit, John Browne, Buddy Garvin, Sam Mason & Mayor Priddle

Absent: Haven Wilkinson

Presiding: Kevin E. Priddle, Mayor

Staff Present: Peter J. Stasiak, Acting City Manager/Planning and Community Development Director; David Medley, Utilities Director; Gayla Duke, Chief Financial Officer; William J. Ervin, City Attorney and Cora Middleton, City Clerk

**CITIZENS' COMMENTS ON NON-AGENDA ITEMS**

Steve Harrison addressed the Council to express his concerns about the City's sales tax revenue and possible budget shortfalls. He suggested various steps that he felt the City should follow in addressing this matter.

Joyce Ramsey addressed the Council regarding the denial of a remodel permit she had requested. Mayor Priddle stated that it was not the Council's habit to respond during this section of the meeting but he commented that the structure was non-conforming and that was why the permit had been denied.

**CONSENT AGENDA**

*All matters listed under the Consent Agenda are considered to be routine by the City Council and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.*

- A. Approval of the Minutes from the October 27, 2009, Regular Meeting of the McAlester City Council.** *(Cora Middleton, City Clerk)*
  
- B. Approval of Claims for October 28, 2009 through November 10, 2009.** *(Gayla Duke, Chief Financial Officer)* In the following amounts: General Fund - \$60,074.39; Nutrition - \$589.25; Employee Retirement - \$12,706.25; State Forfeiture Fund - \$607.68; SE Expo Ctr/Tourism Fund - \$583.63; E-911 - \$707.23 and Economic Development - \$282.50.

Vice-Mayor Garvin moved for approval of the Consent Agenda. The motion was seconded by Councilman Condit. There was no discussion and the vote was taken as follows:

AYE: Councilman Fiedler, Condit, Browne, Garvin, Mason & Mayor Priddle

NAY: None

Mayor Priddle declared the motion carried.

**ITEMS REMOVED FROM CONSENT AGENDA**

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None

Councilman Condit moved to open a Public Hearing to obtain comments concerning an Ordinance amending the budget for fiscal year 2009-2010. The motion was seconded by Councilman Browne.

There was no discussion, and the vote was taken as follows:

AYE: Councilman Condit, Browne, Garvin, Mason, Fiedler & Mayor Priddle

NAY: None

Mayor Priddle declared the motion carried and the Public Hearing was opened at 6:10 P.M.

#### PUBLIC HEARING

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*All persons interested in any ordinance listed under Scheduled Business shall have an opportunity to be heard in accordance with Article 2, Section 2.12(b) of the City Charter.*

- **An Ordinance amending Ordinance No. 2327 which established the budget for fiscal year 2009-2010; repealing all conflicting ordinances; providing for a severability clause; and declaring an emergency.**

There were no comments from the public or the Council, and Vice-Mayor Garvin moved to close the Public Hearing. The motion was seconded by Councilman Condit. The vote was taken as follows:

AYE: Councilman Browne, Garvin, Mason, Fiedler, Condit & Mayor Priddle

NAY: None

Mayor Priddle declared the motion carried and the Public Hearing was closed at 6:11 P.M.

#### SCHEDULED BUSINESS

- 1. Consider, and act upon entering into an annual service agreement with Simplex Grinnell (State contract SW 403) for testing and maintenance of Fire Alarm System in City Hall. (Harold Stewart, Fire Chief)**

##### Executive Summary

This item involves entering into annual Service Agreement with Simplex Grinnell.

Councilman Browne moved to approve an annual service agreement with Simplex Grinnell (State contract SW 403) for testing and maintenance of Fire Alarm System in City Hall. The motion was seconded by Councilman Condit.

Before the vote, Acting Manager Stasiak explained that this was a one (1) year agreement for the fire alarm system for the period of April 2009 through April 2010. He added that the City did not have the expertise to perform the maintenance and this was the company that the City had used in the past.

There was a brief discussion among the Council and Mr. Stasiak concerning why this had been brought before the Council so late, if this was a one time inspection, the number of inspections performed each year, what buildings this agreement covered and if there was a local company that could perform this service.

There was no further discussion, and the vote was taken as follows:

AYE: Councilman Garvin, Mason, Fiedler, Condit, Browne & Mayor Priddle

NAY: None

Mayor Priddle declared the motion carried.

- 2. Consider, and act upon, the disposal of obsolete vehicles as outlined in the attached vehicle report. (Peter J. Stasiak, Acting City Manager)**

##### Executive Summary

This item involves the disposal of obsolete vehicles.

Councilman Browne moved to accept the list of obsolete vehicles for disposal as outlined in the attached vehicle report. The motion was seconded by Councilman Condit.

Before the vote, Mr. Stasiak explained that he had received a list of one hundred and fifteen (115) surplus vehicles of which eight (8) were considered obsolete. He stated that there were seven (7) vehicles that were either non-operational or were in very poor condition. He reviewed the list of vehicles explaining that the City would like to take the four (4) non-operational vehicles to Scrap Corp and the other three (3) vehicles taken to the local auto auction. He added that at this time there were not enough items to conduct an auction. He continued that some of the surplus vehicles would be transferred to various departments until at a later date they could be replaced with more adequate equipment.

There was a brief discussion among the Council and Mr. Stasiak regarding the surplus vehicles, what departments might use the vehicles and if there was a fee for Scrap Corp to pickup the vehicles.

There was no further discussion, and the vote was taken as follows:

AYE: Councilman Garvin, Mason, Fiedler, Condit, Browne & Mayor Priddle

NAY: None

Mayor Priddle declared the motion carried.

**3. Consider, and act upon, a contract with the Oklahoma Department of Commerce (ODOC) for water and sewer line replacement through the Community Development Block Grant (CDBG) program for year 2009-2010. (Peter J. Stasiak, Acting City Manager)**

Executive Summary

This agenda item involves a motion to approve the contract with Oklahoma Department of Commerce and authorizing the Mayor to sign the appropriate documents.

Councilman Browne moved to approve a contract with the Oklahoma Department of Commerce (ODOC) for water and sewer line replacement through the Community Development Block Grant (CDBG) program for year 2009-2010 and authorizing the Mayor to sign the appropriate documents. The motion was seconded by Vice-Mayor Garvin.

Before the vote, Acting Manager Stasiak explained that the City had applied for and received a CDBG grant from the Oklahoma Department of Commerce (ODOC) for water and sewer line replacement. He continued that the award was for \$90,630.00 and would be matched with City funds of \$90,630.00 for a total amount of \$181,260.00. He then reviewed the list of utility lines that would be replaced.

There was no further discussion, and the vote was taken as follows:

AYE: Councilman Mason, Fiedler, Condit, Browne, Garvin & Mayor Priddle

NAY: None

Mayor Priddle declared the motion carried.

**4. Consider, and act upon, Oklahoma Department of Environmental Quality (ODEQ) Consent Order, Case No. 09-241 for permit violations at the McAlester Water Treatment Plant lagoons. (David Medley, Utilities Director)**

Executive Summary

This agenda item involves a motion to approve ODEQ Consent Order, Case No. 09-241 for the McAlester Water Treatment Plant lagoons.

Vice-Mayor Garvin moved to approve the Oklahoma Department of Environmental Quality (ODEQ) Consent Order, Case No. 09-241 for permit violations at the McAlester Water Treatment Plant lagoons. The motion was seconded by Councilman Condit.

Before the vote, David Medley explained that ODEQ had issued the consent order for discharges that exceeded permit limits for Manganese, Aluminum, and Total Suspended Solids during 2008 and 2009. He added that Consent Order required an Engineering Report by March 1, 2010 outlining corrective actions to eliminate the permit exceedences. He stated that once the Engineering Report determined the corrective actions and was approved by ODEQ, the City would be required to implement the improvements on an agreed upon schedule.

There was discussion among the Council and Mr. Medley regarding what the cost of the improvements would be, and what caused the manganese problem.

David Medley stated the system was not staying up with the permit. There was no further discussion, and the vote was taken as follows:

AYE: Councilman Fiedler, Condit, Browne, Garvin, Mason & Mayor Priddle

NAY: None

Mayor Priddle declared the motion carried.

- 5. Consider, and act upon, an Ordinance amending Ordinance No. 2327 which established the budget for fiscal year 2009-2010; repealing all conflicting ordinances; providing for a severability clause; and declaring an emergency. (Gayla Duke, Chief Financial Officer)**

**Exhibit A-1: CIP Fund.** Need to transfer funds to CDBG Grant fund.

**Exhibit A-2: CDBG Grant Fund.** Appropriate transfer from CIP fund and grant revenue for water and sewer replacements.

**Exhibit A-3: Gifts and Contributions Fund:** Establish new fund for monitoring and tracking various items donated or granted to City for specific expenditures. Fund balance designations will roll from year to year.

**Exhibit A-4: General Fund:** Need to adjust budget for transfer of tracked items to the Gifts and Contributions Fund.

Executive Summary

This agenda item involves Ordinance No. 2327 which established the budget for fiscal year 2009-2010.

**ORDINANCE NO. 2337**

**AN ORDINANCE OF THE CITY OF McALESTER, OKLAHOMA, AMENDING ORDINANCE NO. 2327 WHICH ESTABLISHED THE BUDGET FOR FISCAL YEAR 2009-2010; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING FOR A SEVERABILITY CLAUSE; AND DECLARING AN EMERGENCY.**

Vice-Mayor Garvin moved for approval of **ORDINANCE NO. 2337**, seconded by Councilman Browne.

Before the vote, Gayla Duke explained that this amendment was necessary to cover proposed revenue and expenditures not included in the budget for this fiscal year. She reviewed the exhibits to the amendment with the Council stating that funds needed to be transferred from the CIP Fund to the CDBG Fund, a new fund had been established to monitor and track various items donated or granted to the City for specific expenditures and the final exhibit was to adjust the budget and transfer tracked items to the Gifts and Contributions Fund.

There was no other discussion, and the vote was taken as follows

AYE: Councilman Garvin, Mason, Fiedler, Condit, Browne & Mayor Priddle

NAY: None

Mayor Priddle declared the motion carried.

Councilman Condit moved to approve the EMERGENCY CLAUSE, seconded by Councilman Browne. There was no discussion, and the vote was taken as follows:

AYE: Councilman Fiedler, Condit, Browne, Garvin, Mason & Mayor Priddle

NAY: None

Mayor Priddle declared the motion carried.

**6. Consider, and act upon, Ordinance 2331 which amended the Code of Ordinances, Chapter 2, Article VII, Section 2-259 related to establishing the McAlester City Emergency Ambulance Fund. (Gayla Duke, Chief Financial Officer)**

Executive Summary

This agenda item involves Ordinance No. 2331 which amends the Code of Ordinances, Chapter 2, Article VII, Section 2-259.

Councilman Browne moved to open the discussion of **ORDINANCE NO. 2331**, which established the McAlester City Emergency Ambulance Fund. The motion was seconded by Councilman Condit.

Before the vote, Gayla Duke explained that this ordinance was approved on September 8, 2009 shortly after she started at the City. She stated that since then she had been reviewing the budget and finances and she needed some clarification. She explained that during the Audit & Finance Advisory Committee meeting this topic had been discussed and they had agreed that the creation of a department instead of an enterprise fund. She further explained that she would like to treat all revenue on a cash basis.

Councilman Mason stated that the Ordinance had been put together by the former City Manager, the City Attorney and himself. He commented that he would like to refer this back to the City Attorney for an extensive review. He recommended that this be tabled until the next meeting. He added that he did not want to accept anything short of what the City Attorney recommended. He then moved that this be tabled until the next meeting for the City Attorney to review and make recommendations.

Mayor Priddle commented that he would second that motion.

There was a brief discussion among the Council and Ms. Duke concerning this item being discussed with the City Attorney and the Audit and Finance Advisory Committee, segregating the revenue without creating a trust and not having a written recommendation from the Audit and Finance Advisory Commendation.

Mayor Priddle commented that the Audit and Finance Advisory Committee had decided that a written recommendation was not needed but he would like the City Attorney to give the Council the correct procedure.

There was no further discussion, and the vote was taken as follows.

AYE: Councilman Garvin, Mason, Condit & Mayor Priddle

NAY: Councilman Browne & Fiedler

Mayor Priddle declared the motion carried.

**7. Presentation of the Actuarial Report as of July 1, 2009 for the City of McAlester Defined Benefit Retirement Plan and Trust. (Bruce R. Nordstrom, ASA, EA, MAAA, Principal and Senior Consulting Actuary, Apex Global Partners, Inc., Benefit Partners Division)**

Executive Summary

This agenda item involves a presentation of the Actuarial Report as of July 1, 2009 regarding the City of McAlester Defined Benefit Retirement Plan and Trust.

Councilman Condit moved to accept the Actuarial Report as of July 1, 2009 for the City of McAlester Defined Benefit Retirement Plan and Trust. The motion was seconded by Councilman Browne.

Before the vote, Ms. Duke remarked that she was very impressed with Mr. Nordstrom's knowledge based on the discussion at the Audit and Finance Advisory Committee meeting. She then introduced Bruce Nordstrom.

Mr. Nordstrom explained that he had spoken to the Council in March of this year and it was recommended at that time that new assumptions be prepared. He then reviewed the report with the Council that had been distributed before the meeting.

There was discussion among the Council and Mr. Nordstrom regarding concerns that the assumptions and the percent return were correct, that the plan was adequately covered at this time for retiring employees and if Global Partners could review the plan and see if any changes needed to be made to the plan.

Mr. Nordstrom commented that there was no chance that payments would not be funded. He further stated that the plan needed to have generational equity and that the plan was in good shape. Mr. Nordstrom stated that the plan was very generous and they would entertain discussion about any changes.

There was no further discussion, and the vote was taken as follows:

AYE: Councilman Garvin, Mason, Fiedler, Condit, Browne & Mayor Priddle

NAY: None

Mayor Priddle declared the motion carried.

**8. Presentation, and possible action, by American Income Life. (Councilman, John Browne)**

Executive Summary

This agenda item involves a presentation by American Income Life regarding no cost benefits and supplemental insurance that could be available to employees.

Councilman Browne requested this item withdrawn.

**NEW BUSINESS**

None

**CITY MANAGER'S REPORT**

Acting City Manager Pete Stasiak reported that a couple of weeks ago the Council had given the City Manager authority to waive permits and he wanted to inform the Council that for the month of October there were no waivers. He informed the Council that thirty-two (32) individuals had attended a training session through Strategic Government Resources (SGR) and OML offered at Kiamichi Vo-Tech. He explained the session was regarding employee classification and was offered at an inexpensive price.

**REMARKS AND INQUIRIES BY CITY COUNCIL**

Councilman Fiedler had no comments at this time.

Councilman Condit stated that by the next meeting he would like a plan presented to the Council addressing the budget problems.

Mr. Stasiak commented that there would be something to discuss.

Councilman Browne informed the Council of the Ward Three meeting on November 17<sup>th</sup> at 6:00 P.M. at the Girl Scout building. He stated that there were a lot of good things happening in the City. He mentioned that Arvest Bank conducted a coat drive, Child Support Services is starting one as well and the Dollar General Store was having a toy drive. He added that he would like to start in the future awarding these people or groups with some sort of Community Service Award.

Vice-Mayor Garvin stated that Fifth Ward was doing fine.

Councilman Mason commented that his concerns were in line with Mr. Harrison's remarks. He also noted that the newspaper had not been reporting on the decline in the sales tax receipts and he agreed with Councilman Condit regarding having something on paper addressing the Budget issues.

Mayor Priddle commented that staff had been working diligently on items that could be reduced and in a couple of weeks this information would be presented to Council. He stated that the revenue was down but expenses were also down. He added that there would be budget adjustments presented to the Council dealing with the City's partners and staffing was down eight (8) people and the City was not hiring anyone that was not necessary. Mayor Priddle stated that he wanted any decisions made to be based on facts and not emotions. As a closing thought

Mayor Priddle commented that there were a lot of great things happening and people just needed to get involved.

#### RECESS COUNCIL MEETING

Mayor Priddle asked for a motion to recess the Regular Meeting to convene the Authorities. Councilman Mason moved to recess the Regular Meeting and convene the Authorities. The motion was seconded by Vice-Mayor Garvin and the vote was taken as follows:

AYE: Councilman Mason, Fiedler, Condit, Browne, Garvin & Mayor Priddle

NAY: None

Mayor Priddle declared the motion carried, and the Regular Meeting was recessed at 7:10 P.M.

#### RECONVENE COUNCIL MEETING

The Regular Meeting was reconvened at 7:11 P.M.

Vice-Mayor Garvin moved to recess the Regular Meeting for an Executive Session to discuss the employment, hiring, appointment, promotion, demotion, disciplining, or resignation of any individual salaried public officer or employee: Acting City Manager, in accordance with Title 25, Section 307.B.1. The motion was seconded by Councilman Browne. There was no discussion, and the vote was taken as follows:

AYE: Councilman Garvin, Mason, Fiedler, Condit, Browne & Mayor Priddle

NAY: None

Mayor Priddle declared the motion carried and the Regular meeting was recessed at 7:12 P.M.

#### EXECUTIVE SESSION

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*Recess into Executive Session in compliance with Section Title 25 Section 307 B.1, et.seq. Oklahoma Statutes, to wit:*

- **Section 307 (B) (1) – Discuss the employment, hiring, appointment, promotion, demotion, disciplining, or resignation of any individual salaried public officer or employee: Acting City Manager.**

#### RECONVENE INTO OPEN SESSION

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*Take any action as a result from Executive Session.*

The Regular Meeting was reconvened at 7:30 P.M. Mayor Priddle reported that the Council had recessed the Regular Meeting for an Executive Session to discuss the employment, hiring, appointment, promotion, demotion, disciplining, or resignation of any individual salaried public officer or employee: Acting City Manager, in accordance with Title 25, Section 307.B.1. Only that matter had been discussed, no action was taken and the Council had returned to open session at 7:30 P.M., and this constituted the minutes of the Executive Session.

Councilman Mason moved to increase Mr. Stasiak's salary from the present level to \$90,000.00 per year effective November 26, 2009. The motion was seconded by Vice-Mayor Garvin. There was no discussion, and the vote was taken as follows:

AYE: Councilman Fiedler, Condit, Browne, Garvin, Mason & Mayor Priddle

NAY: None

Mayor Priddle declared the motion carried.

#### ADJOURNMENT

There being no further business to come before the Council, Councilman Condit moved for the meeting to be adjourned, seconded by Councilman Browne. The vote was taken as follows:

AYE: Councilman Condit, Browne, Garvin, Mason, Fiedler & Mayor Priddle

NAY: None

Mayor Priddle declared the motion carried, and the meeting was adjourned at 7:31 P.M.

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Kevin E. Priddle, Mayor

ATTEST:

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Cora Middleton, City Clerk