

The McAlester City Council met in a Regular session on Tuesday January 27, 2015, at 6:00 P.M. after proper notice and agenda was posted, January 22, 2015 at 2:34 P.M.

Call to Order

Mayor Harrison called the meeting to order.

William J. Ervin, City Attorney, gave the invocation and led the Pledge of Allegiance.

Roll Call

Council Roll Call was as follows:

Present: Weldon Smith, John Titsworth, Travis Read, Robert Karr, Buddy Garvin, Jason Barnett & Steve Harrison
Absent: None
Presiding: Steve Harrison, Mayor

Staff Present: Peter J. Stasiak, City Manager; John Modzelewski, City Engineer/Public Works Director; Toni Ervin, Chief Financial Officer; Gary Wansick, Police Chief; Brett Brewer, Fire Chief; Leroy Alsup, Community & Economic Development Director; Mel Priddy, Community Services Director; William J. Ervin, Sr., City Attorney and Cora Middleton, City Clerk

Consent Agenda

- A. Approval of the Minutes from the January 13, 2015, Regular Meeting of the McAlester City Council. *(Cora Middleton, City Clerk)*
- B. Approval of Claims for January 7, 2015 through January 20, 2015. *(Toni Ervin, Chief Financial Officer)* In the following amounts: General fund - \$112,043.42; Parking Authority - \$166.626; Nutrition - \$1,215.75; Landfill Res./Sub-Title D - \$6,760.50; Tourism Fund - \$4,652.62; SE Expo Center - \$21,200.83; E-911 - \$6,736.06; Economic Development - \$410.09; Grants & Contributions - \$1,807.00; Fleet Maintenance - \$10,611.04; Worker's Compensation - \$941.68 and CIP Fund - \$328,344.30.
- C. Concur with the Mayor's reappointment of Mr. Bill McMahan to serve on the McAlester Library Advisory Board for a term ending December, 2019. *(Steve Harrison, Mayor)*
- D. Consider and accept, the third and fourth quarter reports for Oklahomans for Independent Living. *(Pam Pulchny, Executive Director)*

- E. Discussion and possible action, on motion to approve the mutual aid agreement between Haywood-Arpelar Volunteer Fire Department and the McAlester Fire Department and authorizing the mayor to sign the agreement. *(Brett Brewer, Fire Chief)*
- F. Consider and act upon, authorization of payment to Carstensen Contracting, Inc. “Contractor’s Application for Payment #1”, in the amount of \$107,902.90 for the construction of road and infrastructure improvements related to CIP#2 and funded through the McAlester Public Works Authority Construction Fund Series 2013 Project Account. *(John C. Modzelewski, P.E., City Engineer and Public Works Director)*
- G. Consider and act upon, authorization of payment to Lot Maintenance of Oklahoma, Inc., Invoice # 033396, in the amount of \$17,900.00, for video of sewer mains in Sixth Street and South Avenue, related to CIP#4 and funded through the McAlester Public Works Authority Construction Fund Series 2013 Project Account. *(John C. Modzelewski, P.E., City Engineer and Public Works Director)*
- H. Consider and act upon, a request by Eastern Oklahoma State College – GEAR UP Program to partner with them for the rental fee in the amount of \$945.00 for the use of the Expo Center on March 10-12, 2015. *(Jerry Lynn Wilson, Expo Center Manager)*

Vice-Mayor Read requested that item “E” be removed for individual consideration.

A motion was made by Vice-Mayor Read and seconded by Councilman Smith to approve Consent Agenda items “A through D and F through H”. There was no discussion, and the vote was taken as follows:

AYE: Councilman Read, Smith, Titsworth, Karr, Garvin, Barnett & Mayor Harrison
 NAY: None

Mayor Harrison declared the motion carried.

Items Removed from Consent Agenda

- E. Discussion and possible action, on motion to approve the mutual aid agreement between Haywood-Arpelar Volunteer Fire Department and the McAlester Fire Department and authorizing the mayor to sign the agreement. *(Brett Brewer, Fire Chief)*

A motion was made by Vice-Mayor Read and seconded by Councilman Smith to approve Consent Agenda item “E”.

Before the vote, Vice-Mayor Read inquired about the agreement not having an expiration date and if the Council could approve an agreement like that.

Attorney Ervin commented that without an expiration date it was limited to one (1) year.

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

AYE: Councilman Read, Smith, Titsworth, Karr, Garvin, Barnett & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried.

A motion was made by Vice-Mayor Read and seconded by Councilman Smith to open a Public Hearing to address an Ordinance amending the FY 2014-2015 Operating Budget. There was no discussion, and the vote was taken as follows:

AYE: Councilman Read, Smith, Karr; Garvin, Barnett, Titsworth & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried and the Public Hearing was opened at 6:05 P.M.

Public Hearing

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 OF THE CITY OF McALESTER, OKLAHOMA, AMENDING ORDINANCE NO. 2501 WHICH ESTABLISHED THE BUDGET FOR FISCAL YEAR 2014-15; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING FOR A SEVERABILITY CLAUSE; AND DECLARING AN EMERGENCY.**

There were no comments from the Council or citizens present. A motion was made by Vice-Mayor Read and seconded by Councilman Smith to close the Public Hearing. There was no discussion, and the vote was taken as follows:

AYE: Councilman Read, Smith, Karr; Garvin, Barnett, Titsworth & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried and the Public Hearing was closed at 6:06 P.M.

Scheduled Business

1. Discussion and possible action, with respect to a refunding opportunity pertaining to the Authority's Utility System Revenue Bonds, Series 2002 and calling an election for such purpose and other provisions related thereto. *(Peter Stasiak, City Manager)*

Executive Summary

Discussion and possible action to call an election for refunding purposes for the Revenue Bonds, Series 2002.

Manager Stasiak addressed the Council reminding them that the City had success with previous refinancing of some of the City's bonds. He commented that Jon Wolff and Allan Brooks were in attendance to review possibilities of the City refinancing another of its bonds.

Jon Wolff, Municipal Finance Services, Inc. addressed the Council and distributed a small packet of information. During his review Mr. Wolff reminded the Council that the over the last three (3) to four (4) years the City had been successful in its' refinancing of the 2003 and 1999A Bonds with lower interest rates and providing the City with tremendous savings with out extending any of the terms for the refinanced bonds.

During Mr. Wolff's review there was discussion concerning the bonds that were callable, the interest rates that had been obtained in the past, the savings that the City had been able to acquire for the previous refinancing, the amount that the City would have to refinance, the cost of the refinancing, the potential savings for the City if a lower interest rate could be found, not extending any terms, some financial institutions offering a locked interest quote, if other communities were faced with financial issues similar to McAlester's issues and scheduling a special meeting to address this issue as soon as possible.

Mayor Harrison thanked Mr. Wolff for his information and then called a special meeting for Tuesday, February 3, 2015 at 5:30 P.M.

There was no vote on this item.

2. Consider and act upon, an Ordinance amending Ordinance No. 2501 which established the budget for fiscal year 2014-2015; repealing all conflicting ordinances; providing for a severability clause; and declaring an emergency. *(Toni Ervin, Chief Financial Officer)*

Executive Summary

Motion to approve the budget amendment ordinance.

ORDINANCE NO. 2527

AN ORDINANCE OF THE CITY OF McALESTER, OKLAHOMA, AMENDING ORDINANCE NO. 2501 WHICH ESTABLISHED THE BUDGET FOR FISCAL YEAR 2014-15; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING FOR A SEVERABILITY CLAUSE; AND DECLARING AN EMERGENCY.

A motion was made by Councilman Smith and seconded by Vice-Mayor Read to approve **ORDINANCE NO. 2527**, amending fiscal year 2014-2015 operating Budget.

Before the vote, CFO Ervin addressed the Council to review the Budget amendment. CFO Ervin explained that this was the mid-year budget amendment and that it would appropriate funds for three (3) new Police Department vehicles, a slide for Jeff Lee pool, a Fire Department Support vehicle, the 9th and Illinois Drainage project, new Police Department service weapons, a PSO Economic Development Grant, an ISO compliant generator for E-911, donations that had been received, and final payroll and severance for the former Water Treatment Plant employees that had transitioned to Severn Trent employment.

After a brief discussion among the Council concerning where the new generator would go, the size of the new generator and what powered the new generator, the vote was taken as follows:

AYE: Councilman Smith, Read, Garvin, Barnett, Titsworth, Karr & Mayor Harrison
NAY: None

Mayor Harrison declared the motion carried.

Vice-Mayor Read moved to approve the EMERGENCY CLAUSE, seconded by Councilman Karr. There was no discussion, and the vote was taken as follows:

AYE: Councilman Read, Karr, Barnett, Smith, Titsworth, Garvin & Mayor Harrison
NAY: None

Mayor Harrison declared the motion carried

3. Discussion and presentation of the Mid-Year Review of Fiscal year 2014-2015. (*Toni Ervin, Chief Financial Officer*)

Executive Summary

Mid-Year Review of Fiscal year 2014-2015.

Manager Stasiak addressed the Council explaining that the Mid-Year Budget Review would be presented tonight. He stated that they had heard during the audit presentation that the City's financials were in good condition. He commented on the projects that had been completed during the last six (6) to seven (7) months. He then reviewed some of the projects that were planned for the future.

CFO Ervin addressed the Council stating that the City was in a positive financial position and that this was due to the constant management of the budget. She explained the various fund balances and the appropriations that were made from those balances. She added that the State of Oklahoma was the only state that was financed almost entirely by sales tax. She compared current numbers to last year's numbers. She stressed that with proper monitoring of both the General Fund and the MPWA Fund the budget should carry through to the end of the year without any major problems. She reviewed some of the Capital purchases that the City had been able to complete or budget for during this fiscal year.

Manager Stasiak commented that the beginning Fund balances were a result of the Directors being very careful and watchful of their budgets.

There was no action on this item.

4. Accept and place on file, the Status Report for the McAlester Public Works Authority's "Water System Operation and Maintenance Agreement" with Severn Trent Environmental Services., Inc. (*John C. Modzelewski, P.E., City Engineer and Public Works Director*)

Executive Summary

Accept the Status Report on the McAlester Public Works Authority's "Water System Operation and Maintenance Agreement" with Severn Trent Environmental Services., Inc.

Director Modzelewski addressed the Council informing them that part of the agreement with Severn Trent was that they furnish the City with quarterly status reports. He added that they now could measure the amount of water that was coming into the water plant. He commented on the Consent Orders they were working with the City to resolve those issues. He then introduced Jake Walton Severn Trent's Project Manager.

Mr. Walton addressed the Council introducing several members of the Severn Trent management. He then reviewed some of the issues addressed in the status report. Among those issues Mr. Walton informed the Council that the Motor Control Center that controls the High Service Pumps continued to be problematic and he reviewed a few possible fixes for this issue. He informed the Council that the TTHM samples for this quarter had all been in compliance but it would take several good quarters to get the average into compliance.

During Mr. Walton's review there was discussion with the Council concerning the number of pumps that were in use at the water treatment plant, a possible study of the City's water source to see if that could be a contributing factor, addressing the sludge issue at the Water Treatment Plant, the age of the Plant, looking at when it becomes more feasible to consider building a new plant versus the continued repair of the current plant, the water levels in the storage tanks contributing to the continued water quality issues, the water line relocation around the lake and still having room for improvement.

Councilman Smith moved to accept and place on file, the Status Report for the McAlester Public Works Authority's "Water System Operation and Maintenance Agreement" with Severn Trent Environmental Services., Inc. The motion was seconded by Vice-Mayor Read. There was no further discussion, and the vote was taken as follows:

AYE: Councilman Smith, Read, Titsworth, Karr, Garvin, Barnett & Mayor Harrison
NAY: None

Mayor Harrison declared the motion carried.

5. Consider and act upon, authorizing the Mayor to sign an Agreement for Engineering Services with Tetra Tech for the preparation of an engineering computer model of the City's water distribution system. This computer model will be used in conjunction with the Corrective Action Plan being proposed to meet the requirements of a Consent Order issued by the Oklahoma Department of Environmental Quality. (*John Modzelewski, P.E., City Engineer and Public Works Director*)

Executive Summary

Motion to approve authorizing the Mayor to sign an Agreement for Engineering Services with Tetra Tech for the preparation of an engineering computer model for the fee of \$35,000.

A motion was made by Councilman Smith and seconded by Vice-Mayor Read to authorize the Mayor to sign an Agreement for Engineering Services with Tetra Tech for the preparation of an engineering computer model of the City's water distribution system. This computer model will be used in conjunction with the Corrective Action Plan being proposed to meet the requirements of a Consent Order issued by the Oklahoma Department of Environmental Quality.

Before the vote, Director Modzelewski addressed the Council commenting that on September 11, 2007, the Oklahoma Department of Environmental Quality had issued Consent Order, Case No. 07-233, to the McAlester Public Works Authority. He explained that paragraph eighteen (18) of the Consent Order included four (4) Tasks that had to be completed by the City. He informed the Council that three (3) of the four (4) tasks had been completed and the last task remained unresolved. Director Modzelewski explained that this agreement with Tetra Tech would allow them to prepare an engineering computer model of the City's water distribution system. He added that this was the first of three (3) phases needed to prepare the model, calibrate it, analyze the system and install supporting software.

There was discussion among the Council and Srini Sundaramoorthy, Senior Project Coordinator concerning the average age of the water in the distribution system, if the City had too much storage, how the City could address the problem, and if the model would have to be completed before it could be used.

Mayor Harrison commented that the contract had three (3) phases with separate costs. He asked if there was anything that restricted this agreement to Phase A only and he wanted to verify what he was being authorized to sign.

There was a brief discussion among the Council and Attorney Ervin concerning the language in the agreement, the scope of services restricting the agreement to phase A, and how to clarify that only phase A would be authorized.

Attorney Ervin suggested adding the restriction to this agreement in the Scope of services by restricting it to Phase A. Mayor Harrison asked if the Council would do with the recommended changes rather than seeing the changed version. Both Councilman Smith and Vice-Mayor Read indicated that they were fine with an amendment to the motion.

Mayor Harrison restated the motion to say "authorize the Mayor to sign an Agreement for Engineering Services with Tetra Tech for the preparation of an engineering computer model of the City's water distribution system, after striking Phase B and C from exhibit B". There was no further discussion, and the vote was taken as follows:

AYE: Councilman Smith, Read, Karr, Garvin, Barnett, Titsworth & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried.

New Business

There was no new business.

City Manager's Report

- Report on activities for the past two weeks.

Manager Stasiak reported that there would be a continued Board of Adjustment meeting this Thursday at 4:00 P.M. concerning the variance for the Cinema 69 parking, the City was working with the Choctaw Nation to develop a trail system at lakes Talawanda 1 and 2, Thursday at 6:00 P.M. was the Mercy Clinic Celebration at the Grand Event Center honoring Dr. Lewis and lastly Jennifer Santino had received her Certified Flood Plane Managers certification.

Remarks and Inquiries by City Council

Councilman Barnett, Garvin, Titsworth and Smith did not have any comments for the evening.

Councilman Karr informed the Council that the Choctaw Nation District 11 Stick Ball team would be practicing on Sunday at 2:00P.M. in the Hutchison Park field.

Vice-Mayor Read expressed his appreciation for the work that the Finance Department had been doing.

Mayor's Comments and Committee Appointments

Mayor Harrison thanked Vice-Mayor Read for chairing the last Council meeting during his absence.

Recess Council Meeting

Mayor Harrison asked for a motion to recess the Regular Meeting to convene the Authorities. Councilman Smith moved to recess the Regular Meeting and convene the Authorities. The motion was seconded by Vice-Mayor Read. There was no discussion, and the vote was taken as follows:

AYE: Councilman Smith, Read, Karr, Garvin, Barnett, Titsworth, & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried and the meeting was recessed at 7:45 P.M.

Reconvene Council Meeting

The Regular Meeting was reconvened at 7:47 P.M.

A motion was made by Councilman Smith and seconded by Vice-Mayor Read to recess the Regular Meeting for an Executive Session pursuant to Title 25, Sec. 307 (B) (4) for Confidential communications between a public body and its attorney concerning a pending investigations, claims, or actions, more particularly:

- a. City of McAlester vs Randy Green (suit)
- b. City of McAlester vs Austin Paving (claim)
- c. Katcon, Inc. vs City of McAlester (suit)
- d. Fender vs Munholland (suit)

- e. Wagner vs City of McAlester (suit)
- f. Davis vs City of McAlester (claim)
- g. Two Way Properties vs City of McAlester (suit)

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

AYE: Councilman Smith, Read, Titsworth, Karr, Garvin, Barnett & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried and the meeting was recessed at 7:48 P.M.

Executive Session

Recess into Executive Session in compliance with Section Title 25 Section 307 B.4 et.seq. Oklahoma Statutes, to wit:

- Proposed executive session pursuant to Title 25, Sec. 307 (B) (4) for Confidential communications between a public body and its attorney concerning a pending investigations, claims, or actions, more particularly:
 - h. City of McAlester vs Randy Green (suit)
 - i. City of McAlester vs Austin Paving (claim)
 - j. Katcon, Inc. vs City of McAlester (suit)
 - k. Fender vs Munholland (suit)
 - l. Wagner vs City of McAlester (suit)
 - m. Davis vs City of McAlester (claim)
 - n. Two Way Properties vs City of McAlester (suit)

Reconvene into Open Session

The Regular Meeting was reconvened at 8:21 P.M. Mayor Harrison reported that the Council had recessed the Regular Meeting for an Executive Session for an Executive Session pursuant to Title 25, Sec. 307 (B) (4) for Confidential communications between a public body and its attorney concerning a pending investigations, claims, or actions, more particularly:

- o. City of McAlester vs Randy Green (suit)
- p. City of McAlester vs Austin Paving (claim)
- q. Katcon, Inc. vs City of McAlester (suit)
- r. Fender vs Munholland (suit)
- s. Wagner vs City of McAlester (suit)
- t. Davis vs City of McAlester (claim)
- u. Two Way Properties vs City of McAlester (suit)

Only that matter was discussed, no action was taken and the Council returned to open session at 8:21 P.M., and this constituted the Minutes of the Executive Session.

Adjournment

There being no further business to come before the Council, Councilman Smith moved for the meeting to be adjourned. The motion was seconded by Vice-Mayor Read.

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

AYE: Councilman Smith, Read, Titsworth, Karr, Garvin, Barnett & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried, and the meeting was adjourned at 8:21 P.M.

ATTEST:

Steve Harrison, Mayor

Cora Middleton, City Clerk