

The McAlester City Council met in a Regular session on Tuesday, March 27, 2018, at 6:00 P.M. after proper notice and agenda was posted, March 23, 2018 at 4:38 P.M.

Call to Order

Mayor Browne called the meeting to order.

Councilman Robert Karr gave the invocation and led the Pledge of Allegiance.

Roll Call

Council Roll Call was as follows:

Present: Weldon Smith, Cully Stevens, Travis Read, Robert Karr & John Browne
Absent: Buddy Garvin & Jason Barnett
Presiding: John Browne, Mayor

Staff Present: Peter Stasiak, City Manager; Toni Ervin, CFO; William J. Ervin, City Attorney and Cora Middleton, City Clerk

Citizens Comments on Non-Agenda Items

Residents may address Council regarding an item that is not listed on the Agenda. Residents must provide their name and address. Council requests that comments be limited to five (5) minutes.

There were no citizens' comments.

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 February 27, 2018, Regular Meeting of the McAlester City Council. *(Cora Middleton, City Clerk)*

- B. Approval of Claims for March 7, 2018 through March 20, 2018. *(Toni Ervin, Chief Financial Officer)* In the following amounts: General Fund - \$171,210.01; Parking Authority - \$199.93; Nutrition - \$3,088.46; Landfill Res./Sub-Title D - \$1,155.00; State Forfeiture Fund - \$5,590.78; Tourism Fund - \$6,068.10; SE Expo Center - \$12,011.35; E-911 - \$13,881.19; Economic Development - \$15,151.00; CDBG Grants Fund - \$4,122.94; Fleet Maintenance - \$11,439.64; Worker's Compensation - \$941.68; CIP Fund - \$26,157.88 and Technology Fund - \$355.67.

- C. Concur with the Mayor's appointment of Mike Kern to the Audit & Finance Advisory Committee for a term to expire on March 31, 2022. *(John Browne, Mayor)*
- D. Concur with the Mayor's appointment of Michelle Mabry to the McAlester Planning Commission for a term to expire on March 31, 2021. *(John Browne, Mayor)*
- E. Concur with the Mayor's appointment of Steve Cox to the McAlester Board of Adjustment for a term to expire on March 31, 2021. *(John Browne, Mayor)*
- F. Concur with the Mayor's re-appointment of Jan Isenberg to the McAlester Public Library Advisory Board for a term to expire on December 31, 2022. *(John Browne, Mayor)*
- G. Consider and act upon, authorization for the Mayor to sign the update on the application and agreement for Morgan Stanley for our defined benefit plan and assets. *(Toni Ervin, Chief Financial Officer)*
- H. Consider and act upon, to concur with Oklahoma Municipal Assurance Group (OMAG) recommendation to deny Claim No. 204465-ME. *(Cora Middleton, City Clerk)*
- I. Consider and act upon, receipt of Permit No. WL000061180095 from the Oklahoma Department of Environmental Quality (ODEQ) for the construction of 730 linear feet of twenty (20) inch PVC water transmission line and all appurtenances to serve the Talawanda Dam 20" Water Transmission Line, Pittsburg County, Oklahoma. *(Peter Stasiak, City Manager)*
- J. Consider and act upon, authorizing the Mayor to sign an agreement with the Oklahoma Department of Corrections for use of State property to conduct the Annual Fireworks Display. *(Billy Sumner, Expo Manager)*
- K. Consider and act upon, authorizing the Mayor to sign an agreement with Hance Pyrotechnics for the July 4th, 2018 fireworks display. *(Billy Sumner, Expo Manager)*

A motion to approve the Consent Agenda was made by Vice-Mayor Karr and seconded by Councilman Read.

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

AYE: Councilman Karr, Read, Smith, Stevens & Mayor Browne

NAY: None

Mayor Browne declared the motion carried.

Scheduled Business

- 1. Presentation of the Mayor's Annual State of the City Address. *(John Browne, Mayor)*
Executive Summary
Presentation.

Mayor Browne presented his annual State of the City Address during which he briefly reviewed the City's financial status. He commented that while the General Fund's sales tax receipts were behind by about two percent (2%), the use tax receipts had surpassed the projections. He stated that the McAlester Public Works Authority's revenue was down about one and one half percent (1.5%) and its' expenses were down four and one half percent (4.5%) down as well. He commented that the City was in good shape going into the final third (1/3) of the fiscal year.

Mayor Browne highlighted some of the infrastructure problems the City had experienced so far this fiscal year and how the City employees had worked through them. He commented on the project that had been put in place to reroute the water line that provides water to the City, the control panels at the Water Treatment Plant and the steps that had been taken to improve the smell and taste of the City's drinking water.

Mayor Browne commented on the passage of the sales tax proposition to address infrastructure repairs and maintenance. He stated that with the passage of this sales tax the City would be going into the next fiscal year better able to address the City's infrastructure needs.

Mayor Browne commented on the City's unemployment rate, the McAlester Army Ammunition Plant, Spirit Aerosystems and Choctaw International's employment needs. He mentioned the continued work with the developer for the 14th Street shopping center and the new jobs it would bring to the area.

Mayor Browne stated that the City continues to work Pride In McAlester, McAlester Main Street and TSET to improve the attractiveness and walkability of the Downtown area. He commented that the sales tax propositions for the McAlester Regional Health Center and the McAlester Public School System had been approved by the citizens. He added that this would allow the hospital to build a bigger Cancer Center and the School System to construct a new early childhood center or safe rooms.

Mayor Browne commented on the projects to prevent the City's canals to fail and the Stormwater projects to improve the City's stormwater drainage. He added that the City would continue to work with its' partners to move the City forward.

In closing he thanked the Council for their work to make this a successful year, the City staff and employees for all of the work that they had done. He stated that he looked for bright things in the City's future and thanked the citizens, through their actions and support, for giving the City the opportunity to provide for the needs and wants of the City.

There was no vote on this item.

2. Consider and act upon, a funding request for assistance on facility and infrastructure improvements to the Wanda Bass Building located on the campus of Eastern Oklahoma State College. These funds are available through the additional sales tax collected through bonds for the Educational Fund. (*Steve Smith, Eastern Oklahoma State College*)

Executive Summary

Motion to approve the request from Eastern Oklahoma State College in the amount of \$410,000 for improvements to the Wanda Bass Building.

Manager Stasiak addressed the Council explaining that Eastern Oklahoma State College had requested help with some maintenance issues on the McAlester campus.

Dr. Steve Smith, Ed. D., President EOSC addressed the Council regarding the funding request that had been submitted for the McAlester Campus. He informed the Council that the roof on the Wanda Bass building was in need of repair and the heat and air units on the building needed to be replaced. He stated that cost to repair the roof would be around \$130,000.00 and the cost to replace the heat and air units would be around \$280,000.00. He explained that budget cuts by the State over the past eight (8) years had made it difficult to basic maintenance much less major repairs like the two (2) he had just mentioned.

There was discussion concerning the request, if it was something that the money could be used for, the language of the ordinance calling for the Special Election, the language of the ballot and the minutes from the meeting, if EOSC was a public school, what schools the funds could not be used for, the Bond Counsel's opinion of the bond proceeds, how much surplus funds were in the Education Fund and how the citizens of McAlester might feel if the City gave funds to EOSC.

There was no further discussion, and a motion was made by Mayor Browne to approve the request from Eastern Oklahoma State College (EOSC) in the amount of \$410,000.00 for improvements to the Wanda Bass Building. The motion was seconded by Vice-Mayor Karr, and the vote was taken as follows:

AYE: Councilman Karr, Stevens & Mayor Browne

NAY: Councilman Read & Smith

Mayor Browne declared the motion failed.

3. Consider and act upon, authorizing the Mayor to sign Change Order # 2 from Allen Oilfield Electric, LLC for an additional 95 days for the completion of the High Service Pump Motor Control Center Replacement at the McAlester Water Treatment Plant. *(Dalton Carlton, Utility Maintenance Supervisor)*

Executive Summary

The recommendation is to authorize the Mayor to sign Change Order # 2 from Allen Oilfield Electric, LLC for an additional 95 days for the completion of the High Service Pump Motor Control Center Replacement at the McAlester Water Treatment Plant. The additional days required are due to long lead time of valve equipment.

Dale Burke, P.E. President, Infrastructure Solutions Group, LLC addressed the Council explaining that due to delays in getting the equipment from the supplier it had taken ninety-five (95) additional days to complete the project. He updated the Council on the status of the MCC Controls and the pumps at the Water Treatment Plant.

After a brief discussion clarifying that this change order would only add days and no additional, a motion to authorize the Mayor to sign Change Order # 2 from Allen Oilfield Electric, LLC for an additional 95 days for the completion of the High Service Pump Motor Control Center

Replacement at the McAlester Water Treatment Plant was made by Councilman Smith. The motion was seconded by Councilman Read, and the vote was taken as follows:

AYE: Councilman Smith, Read, Karr, Stevens & Mayor Browne

NAY: None

Mayor Browne declared the motion carried.

4. Discussion and update on Financials. *(Toni Ervin, Chief Financial Officer)*

Executive Summary

Discussion.

CFO Ervin addressed the Council reviewing the City's financial status as of February 28, 2018. During her review CFO Ervin stated that the General Fund revenues were 1.8% over budget and expenses were 1.7% under budget. She commented that the MPWA revenues were 1% under budget but the expenses in that fund were 4% under budget. CFO Ervin reviewed the sales and use tax receipts informing the Council that while sales tax was \$21,000.00 under budget for March and \$139,000.00 under budget for the year, the use tax receipts were \$248,000.00 over budget. She reviewed the City's water sales and stated that those sales were over the previous years' levels. She then briefly reviewed the Treasury Report which summarized the balances of the various funds.

Councilman Stevens inquired about the rates that were charged for wholesale water sales.

CFO Ervin stated that she was currently working on those contracts and would be bringing that information to the Council.

There was no vote on this item.

New Business

Any matter not known or which could not have been reasonably foreseen prior to the time of posting the Agenda in accordance with Sec. 311.9, Title 25, Oklahoma State Statutes.

There was no new business.

City Manager's Report

- Report on activities for the past two weeks.

Manager Stasiak reported that the City was in the middle of the Budget season, he was negotiating two (2) union contracts and planned to bring the preliminary Budget to Council the second meeting in April.

Remarks and Inquiries by City Council

There were no comments or inquiries from the Council.

Mayor's Comments and Committee Appointments

Mayor Browne thanked the McAlester News-Capital and Ignite McAlester for conducting the candidate forum.

Recess Council Meeting

Councilman Smith moved to recess the Regular Meeting and convene the Authorities. The motion was seconded by Councilman Read. There was no discussion, and the vote was taken as follows:

AYE: Councilman Smith, Read, Karr, Stevens & Mayor Browne
NAY: None

Mayor Browne declared the motion carried and the meeting was recessed at 6:46 P.M.

Reconvene Council Meeting

The Regular Meeting was reconvened at 6:47 P.M.

Adjournment

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

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

AYE: Councilman Read, Smith, Karr, Stevens & Mayor Browne
NAY: None

Mayor Browne declared the motion carried, and the meeting was adjourned at 6:48 P.M.

ATTEST:

John Browne, Mayor

Cora Middleton, City Clerk