

The McAlester City Council met in a Regular session on Tuesday, May 24, 2016, at 6:00 P.M. after proper notice and agenda was posted, May 20, 2016 at 10:25 A.M.

Call to Order

Mayor Browne called the meeting to order.

Glenn Meyer, Trinity Lutheran Church gave the invocation and led the Pledge of Allegiance.

Roll Call

Council Roll Call was as follows:

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

Staff Present: Peter J. Stasiak, City Manager; Toni Ervin, CFO; Police Chief, Gary Wansick; Fire Chief, Brett Brewer; Leroy Alsup, Community & Economic Development Director; William J. Ervin, City Attorney and Cora Middleton, City Clerk

Citizens Comments on Non-Agenda Items

Jeff Warmuth, President and CEO of the McAlester Chamber of Commerce addressed the Council updating them on the recent activities of the Chamber.

Consent Agenda

- A. Approval of the Minutes from the April 26, 2016, Regular Meeting of the McAlester City Council. (*Cora Middleton, City Clerk*)
- B. Approval of the Minutes from the May 10, 2016, Special Meeting of the McAlester City Council. (*Cora Middleton, City Clerk*)
- C. Approval of Claims for May 4, 2016 through May 17, 2016. (*Toni Ervin, Chief Financial Officer*) In the following amounts: General Fund - \$152,149.86; Parking Authority - \$114.44; Nutrition - \$2,587.41; Employee Retirement - \$12,238.13; Tourism Fund - \$1,893.09; SE Expo Center - \$5,768.13; E-911 - \$26,433.55; Economic Development - \$29,601.78; CDBG Grants Fund - \$2,350.00; Fleet Maintenance - \$7,661.08; Worker's Compensation - \$941.68; CIP Fund - \$51,964.42 and Technology Fund - \$192.32.

- D. Consider and act upon, authorization of payment to Infrastructure Solutions Group, LLC; dba Mehlburger Brawley, Invoice # MC-15-02-07, in the amount of \$7,030.00, for Professional Services related to Washington Avenue Pavement Reconstruction and funded through the McAlester Public Works Authority Construction Fund Series 2014 Project Account. *(Peter Stasiak, City Manager)*
- E. Consider and act upon, authorization of payment to McAlester News Capital for Invoice # 300007670, in the amount of \$65.69, for Publication Fees related to Washington Avenue Pavement Reconstruction. *(Peter Stasiak, City Manager)*
- F. Consider and act upon, a “Pledge and Guarantee” document which authorizes the annual renewal of the City of McAlester’s Participation Agreement with the Association for Landfill Financial Assurance (ALFA). *(Peter Stasiak, City Manager)*
- G. Consider and act upon, to authorize the Mayor to exercise the 180 day third option term in the “Amendment to Option to Purchase Real Property Dated June 18, 2015” agreement with Jimmie D. Key and Evy Laverne Key, Trustees of the J & L Revocable Trust for the Retail Connection Development at 14th Street and U.S. Highway 69 and approve the issuance of a \$5,000 check for the option consideration to Jimmie D. Key and Evy Laverne Key, Trustees of the J & L Revocable Trust. *(Leroy Alsup, Community & Economic Development Director)*
- H. Consider and act upon, authorizing the Mayor to sign an agreement with “Feed the Need Foundation for Rural Oklahoma” (KEDDO) for funding of the City of McAlester’s Title III nutrition centers. *(Mel Priddy, Community Services Director)*
- I. Consider and act upon, to concur with the Mayor’s re-appointment of Heather Para, 1102 S. 2nd Street, McAlester, 74501 to the McAlester Library Advisory Board for a term beginning July 1, 2016 and ending June 30, 2019. *(John Browne, Mayor)*

A motion was made by Councilman Smith and seconded by Councilman Read to approve the Consent Agenda. There was no discussion, and the vote was taken as follows:

AYE: Councilman Smith, Read, Garvin, Barnett & Mayor Browne

NAY: None

Mayor Browne declared the motion carried.

Scheduled Business

- 1. Consider and act upon, accepting Change Order #1 in the amount of \$578.00 from Sunrise Contracting, LLC to repair an extra One (1’-0”) foot of the Sandy Creek canal wall, and authorizing the Mayor to sign the Change Order to Sunrise Contracting, LLC for the full amount. *(Peter Stasiak, City Manager)*

Executive Summary

The recommendation is to accept the Change Order equal to less than 2% of the total cost of the project in the amount of \$578.00, to repair an extra One (1’-0”) foot of the Sandy Creek canal wall.

A motion was made by Councilman Read and seconded by Councilman Smith to accept Change Order #1 in the amount of \$578.00 from Sunrise Contracting, LLC to repair an extra One (1'-0") foot of the Sandy Creek canal wall, and authorize the Mayor to sign the Change Order to Sunrise Contracting, LLC for the full amount.

Before the vote, Manager Stasiak addressed the Council explaining that when this project was originally measured the debris in the canal had prevented an exact measurement. He stated that the section of the damaged wall had been replaced from joint to joint and after completion final measurements were taken and it was determined that these measurements were one (1) foot extra. There was no other discussion, and the vote was taken as follows:

AYE: Councilman Read, Smith, Garvin, Barnett & Mayor Browne

NAY: None

Mayor Browne declared the motion carried.

2. Consider and act upon, authorizing the Mayor to sign the Contractor's Final Pay Estimate No. 2 for the contract with Sunrise Construction, LLC for construction of Fifty One (51'-0") feet of Sandy Creek Canal Wall and accept the project as completed. (*Peter Stasiak, City Manager*)

Executive Summary

Motion to authorize the Mayor to sign the final payment of \$23,160.50 for the 2016 Sandy Creek Canal Wall Project #3 to Sunrise Construction, LLC and accept the project as completed.

Councilman Garvin moved to authorize the Mayor to sign the final payment of \$23,160.50 for the 2016 Sandy Creek Canal Wall Project #3 to Sunrise Construction, LLC and accept the project as completed. The motion was seconded by Councilman Smith.

Before the vote, Manager Stasiak addressed the Council explaining that the project was complete and there were no outstanding items. There was no other discussion, and the vote was taken as follows:

AYE: Councilman Read, Barnett, Smith, Garvin & Mayor Browne

NAY: None

Mayor Browne declared the motion carried.

3. Consider and act upon, authorizing the Mayor to sign the Contractor's Final Pay Estimate No. 2 for the contract with Rocking "O" Construction, LLC for construction of One Hundred Fifty Seven (157'-0") feet of Sandy Creek Canal Wall and accept the project as completed. (*Peter Stasiak, City Manager*)

Executive Summary

Motion to authorize the Mayor to sign the final payment of \$8,635.00 for the 2015 Sandy Creek Canal Wall Project #1 to Rocking "O" Construction, LLC and accept the project as completed.

A motion to authorize the Mayor to sign the final payment of \$8,635.00 for the 2015 Sandy Creek Canal Wall Project #1 to Rocking “O” Construction, LLC and accept the project as complete was made by Councilman Smith and seconded by Councilman Read.

Before the vote, Manager Stasiak explained that this project had a concrete pour that did not meet slump specifications. He stated that Infrastructure Solutions Group worked with the contractor to correct the problem. He added that the wall had been inspected and now meets the specifications.

Councilman Smith inquired about the amount of the payment. Manager Stasiak explained that this amount was the ten percent (10%) holdback pending final inspection. There was no further discussion, and the vote was taken as follows:

AYE: Councilman Smith, Read, Garvin, Barnett & Mayor Browne

NAY: None

Mayor Browne declared the motion carried.

4. Consider and act upon, a series of agenda items (see attached) for the FY-16 Community Development Block Grant - Economic Development Infrastructure Financing Program (CDBG-EDIF) regarding the proposed CDBG-EDIF-Krebs Brewing Co., Inc. Industrial Building/Property Project. (*Leroy Alsup, Community & Economic Development Director*)

Executive Summary

Motion to act upon and approve the series of agenda items (see attached) for the FY-16 Community Development Block Grant - Economic Development Infrastructure Financing Program (CDBG-EDIF) regarding the proposed CDBG-EDIF-Krebs Brewing Co., Inc. Industrial Building/Property Project.

A motion was made by Councilman Garvin and seconded by Councilman Smith to approve the items related to the FY-16 Community Development Block Grant - Economic Development Infrastructure Financing Program (CDBG-EDIF) regarding the proposed CDBG-EDIF-Krebs Brewing Co., Inc. Industrial Building/Property Project:

1. Citizens Participation Plan for FY-2016 Community Development Projects
2. CDBG/EDIF Public Hearing Notice posted on Tuesday, May 17, 2016
3. City of Krebs Letter of Support for the CDBG-EDIF Krebs Brewing Industrial Building/Property Project
4. Proposed Budget for the CDBG-EDIF Krebs Brewing Industrial Building/Property Project
5. Krebs Brewing Equipment Cost Estimate 5-9-16
6. Conditional Funding Letter on USDA Guaranteed Loan through First National Bank & Trust Company (05-17-2016)
7. Resolution on Leverage/Matching Funds for CDBG-EDIF Krebs Brewing Industrial Building/Property Project
8. Resolution to Apply for CDBG-EDIF Funds from the Oklahoma Department of Commerce for the CDBG-EDIF Krebs Brewing Industrial Building/Property Project
9. Residential Anti-Displacement Plan for CDBG-EDIF - Krebs Brewing Industrial Building/Property Project

10. Contract with Millie Vance Inc. to prepare CDBG-EDIF grant application and provide Administrative Services for the CDBG-EDIF - Krebs Brewing Industrial Building/Property Project

Before the vote, Director Alsup addressed the Council informing them that he had been working with Millie Vance and she would be taking the lead on this project. He then began reviewing the various documents.

Mayor Browne asked the City Attorney if the items needed to be addressed individually. Attorney Ervin informed the Mayor that the motion could be made to include the items.

Councilman Smith asked if the Public Hearing had been posted. Director Alsup informed the Council that the Public Hearing had been posted in three (3) places for seven (7) days before the hearing date.

Councilman Garvin moved to open a Public Hearing on the FY-16 Community Development Block Grant – Economic Development Infrastructure Financing Program (CDBG-EDIF) regarding the proposed CDBG-EDIF Krebs Brewing Co., Inc. Industrial Building/Property Project. The motion was seconded by Councilman Smith. There was no discussion, and the vote was taken as follows:

AYE: Councilman Garvin, Smith, Barnett, Read & Mayor Browne

NAY: None

Mayor Browne declared the motion carried, and the Public Hearing was opened at 6:20 P.M.

Public Hearing

FY-16 Community Development Block Grant – Economic Development Infrastructure Financing Program (CDBG-EDIF) regarding the proposed CDBG-EDIF Krebs Brewing Co., Inc. Industrial Building/Property Project.

Director Alsup reviewed the Krebs Brewing Co., Inc. Project for the Council explaining the process, funding and future possibilities. He added that Krebs Brewing could not make any improvements or hire any additional employees until the Grant was awarded. He stated that should this endeavor fail the City would own a million dollar building with only a \$125,000.00 investment in.

There was discussion concerning Millie Vance’s contract, the Brewing Company and the economic possibilities of this project.

Councilman Garvin moved to close the Public Hearing, seconded by Councilman Read and the vote was taken as follows:

AYE: Councilman Garvin, Read, Smith, Barnett & Mayor Browne

NAY: None

Mayor Browne declared the motion carried and the Public Hearing was closed at 6:28 P.M.

Mayor Browne clarified the motion as, motion to approve the CDBG-EDIF Program regarding the proposed CDBG-EDIF-Krebs Brewing Co., Inc. Industrial Building/Property Project and the following items:

1. Citizens Participation Plan for FY-2016 Community Development Projects
2. Proposed Budget for the CDBG-EDIF Krebs Brewing Industrial Building/Property Project
3. Resolution No. 16-07, on Leverage/Matching Funds for CDBG-EDIF Krebs Brewing Industrial Building/Property Project
4. Resolution No. 16-08, to Apply for CDBG-EDIF Funds from the Oklahoma Department of Commerce for the CDBG-EDIF Krebs Brewing Industrial Building/Property Project
5. Residential Anti-Displacement Plan for CDBG-EDIF - Krebs Brewing Industrial Building/Property Project
6. Contract with Millie Vance Inc. to prepare CDBG-EDIF grant application and provide Administrative Services for the CDBG-EDIF - Krebs Brewing Industrial Building/Property Project

Director Alsup informed the Council that there was a change in the way the Matching funds were being supplied.

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

AYE: Councilman Garvin, Smith, Barnett, Read & Mayor Browne

NAY: None

Mayor Browne declared the motion carried.

5. Consider and act upon, approval of a Resolution setting a Special Election date for vacancy in Ward Two Council seat and authorize the Mayor to issue a Proclamation for Special Election. (*Cora Middleton, City Clerk*)

Executive Summary

Motion to approve a Resolution to set a Special Election date for vacancy in Ward Two Council seat and authorize the Mayor to issue a Proclamation for Special Election.

A motion was made by Councilman Garvin and seconded by Councilman Smith to approve RESOLUTION NO. 16-09, setting the date for the Special Election to fill the vacancy in Ward Two Council seat and authorize the Mayor to issue a Proclamation for the Special Election.

Before the vote, Manager Stasiak explained that the filing dates were June 13th through June 15th and the election would be on August 23, 2016.

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

AYE: Councilman Garvin, Smith, Barnett, Read & Mayor Browne

NAY: None

Mayor Browne declared the motion carried.

6. Discussion and update on Financials. (*Peter Stasiak, City Manager*)

Executive Summary

Discussion

Manager Stasiak reviewed the City of McAlester's financial condition as of April 30, 2016 with the Council. He commented that the estimated ending balance for the General Fund was \$1,278,728. He stated that as always any short falls would be covered by the reduction of expenditures. He then reviewed the MPWA financials, commenting that the City was moving forward with all planned projects and continued to do well. Manager Stasiak reviewed the Sales Tax revenue comparing the current fiscal year to fiscal years 2014-2015 and 2013-2014.

Manager Stasiak reviewed the annual ambulance revenue for the past ten (10) years and he informed the Council that the City would not meet this years budgeted ambulance revenues. He explained it was due to the private ambulance services that had made contracts with a number of local nursing homes. He added that the Ordinance that had recently been approved would stop that practice.

Councilman Smith asked if information of the net income for the ambulance service could be provided.

Manager Stasiak briefly reviewed the City's Use and Franchise taxes. He then reviewed water sales for residential, commercial, district and wholesale customers. He finished the financial update with a review of the five (5) CIP Projects and the proposed Washington Street project. He added that the City was in good shape.

New Business

There was no new business.

City Manager's Report

- Report on activities for the past two weeks.

Manager Stasiak reported that the City was doing something different this year with its' summer or seasonal help. He explained that the City was bringing on three (3) different summer crews and most of those individuals were in place. He further explained that two (2) of the part-time employees were placed on the pot hole patching crew, two (2) were placed on the canal cleanup with a third individual would be added soon.

Councilman Smith asked how far back from the canals would the City clean and if information had been received from the engineer on design to brace the walls.

Manager Stasiak commented that they would go back as far as the City's easement went and the engineers have been working on a design to brace the walls.

Robert Vaughan with Infrastructure Solutions Group addressed the Council reviewing the design concept of the bracing structures.

Councilman Garvin asked about steps that would be taken to prevent or delay corrosion.

Mr. Vaughan reviewed the maintenance process that would be performed annually and the monitoring that would be done.

Mayor Browne asked about sealing the metal to prevent corrosion.

Mr. Vaughan explained that the engineers were looking at various ideas.

Manager Stasiak informed the Council that the City was employing an additional crew for the Parks department to free up that departments arborist. He added that the City's pools would open this Saturday, May 28th. He stated that the striping crew was in town reviewing the streets. He informed the Council that the old striping would be removed to make the new paint last longer.

Remarks and Inquiries by City Council

Councilman Garvin commented that the Italian Festival Committee had done a very nice job this year.

Councilmen Smith, Read and Barnett did not have any comments for the evening.

Mayor's Comments and Committee Appointments

Mayor Browne commented that the Italian Festival Committee was the same individuals as in the past years and they probably could use some new volunteers.

He then commented that the first "Let's Talk About Drugs" Forum in McAlester last night and had a great turnout, probably seventy-five (75) to eighty (80) people. He stated that there were four (4) presentations, there was good interaction and there would be another one in approximately six (6) weeks and possibly go through another facet of the issue.

Recess Council Meeting

Mayor Browne 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 Councilman Read. There was no discussion, and the vote was taken as follows:

AYE: Councilman Smith, Read, Garvin, Barnett & Mayor Browne

NAY: None

Mayor Browne declared the motion carried and the meeting was recessed at 6:53 P.M.

Reconvene Council Meeting

The Regular Meeting was reconvened at 6:55 P.M.

A motion to recess the Regular Meeting for an Executive Session in accordance with Title 25, Sec. 307.B.2, to discuss negotiations concerning employees and representatives of employee groups: FOP; to discuss negotiations concerning employees and representatives of employee groups: IAFF and in accordance with Title 25, Sec. 307.B.1, to discuss the employment, hiring, appointment, promotion, demotion, disciplining or resignation of any individual salaried public officer or employee: City Manager, Peter Stasiak, was made by Councilman Garvin and seconded by Councilman Smith. There was no discussion, and the vote was taken as follows:

AYE: Councilman Garvin, Smith, Barnett, Read & Mayor Browne

NAY: None

Mayor Browne declared the motion carried and the Regular Meeting was recessed at 6:57 P.M.

Executive Session

1. Proposed executive session pursuant to Title 25, Sec. 307 (B) (2), to discuss negotiations concerning employees and representatives of employee groups: FOP
2. Proposed executive session pursuant to Title 25, Sec. 307 (B) (2), to discuss negotiations concerning employees and representatives of employee groups: IAFF
3. Proposed executive session pursuant to Title 25, Sec. 307 (B) (1), to discuss the employment, hiring, appointment, promotion, demotion, disciplining or resignation of any individual salaried public officer or employee: City Manager, Peter Stasiak

Reconvene into Open Session

The Regular Meeting was reconvened at 8:35 P.M. Mayor Browne reported that the Council had recessed the Regular Meeting for an Executive Session in accordance with Title 25, Sec. 307.B.2, to discuss negotiations concerning employees and representatives of employee groups: FOP; to discuss negotiations concerning employees and representatives of employee groups: IAFF and in accordance with Title 25, Sec. 307.B.1, to discuss the employment, hiring, appointment, promotion, demotion, disciplining or resignation of any individual salaried public officer or employee: City Manager, Peter Stasiak. Only those matters were discussed, no action was taken, and the Council returned to open session at 8:35 P.M., and this constituted the Minutes of the Executive Session

- Consider and act upon, the proposed FOP Contract.

Councilman Smith moved to approve the proposed FOP Contract. The motion was seconded by Councilman Garvin and the vote was taken as follows:

AYE: Councilman Smith, Garvin, Read, Barnett & Mayor Browne
NAY: None

Mayor Browne declared the motion carried.

- Consider and act upon, the proposed IAFF Contract.

A motion was made by Councilman Smith and seconded by Councilman Garvin to approve the proposed IAFF contract. There was no discussion, and the vote was taken as follows:

AYE: Councilman Smith, Garvin, Read, Barnett & Mayor Browne
NAY: None

Mayor Browne declared the motion carried.

- Consider and act upon, the City Manager's Contract.

A motion was made by Councilman Read and seconded by Councilman Smith to table the City Manager's contract. There was no discussion, and the vote was taken as follows:

AYE: Councilman Read, Smith, Garvin, Barnett & Mayor Browne
NAY: None

Mayor Browne declared the motion carried.

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 Councilman Read.

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

AYE: Councilman Smith, Read, Garvin, Barnett & Mayor Browne
NAY: None

Mayor Browne declared the motion carried, and the meeting was adjourned at 8:38 P.M.

ATTEST:

John Browne, Mayor

Cora Middleton, City Clerk