

Council Chambers
Municipal Building
August 9, 2016

The McAlester City Council met in a Regular session on Tuesday, August 9, 2016, at 6:00 P.M. after proper notice and agenda was posted, August 8, 2016 at 12:47 P.M.

Call to Order

Mayor Browne called the meeting to order.

Rev. Barbara Smitherman gave the invocation and led the Pledge of Allegiance.

Roll Call

Council Roll Call was as follows:

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

Staff Present: Peter J. 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 citizen 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 July 12, 2016, Regular Meeting of the McAlester City Council. *(Cora Middleton, City Clerk)*
- B. Approval of Claims for July 20, 2016 through August 2, 2016. *(Toni Ervin, Chief Financial Officer)* In the following amounts: General Fund - \$124,586.02; Nutrition - \$1,990.54; Landfill Res./Sub-Title D - \$4,035.00; Tourism Fund - \$6,535.64; SE Expo

Center - \$3,365.62; E-911 - \$5,458.42; Economic Development - \$41,686.23; Fleet Maintenance - \$16,363.23; CIP Fund - \$72,748.68 and Technology Fund - \$5,683.73.

- C. Consideration and action to authorize the expenditure of \$3,000.00 of City Funds for the Mayor to attend the McAlester Stampede in Washington D.C. on September 19, 2016 through September 23, 2016. *(Leroy Alsup for Peter Stasiak, City Manager)*
- D. Consider and act upon, authorizing the Mayor to sign a Campus Police Agreement between the Board of Education for the McAlester School District and the City of McAlester. *(Gary Wansick, Police Chief)*
- E. Consider and act upon, authorizing the Mayor to sign an agreement for one year between the City of McAlester and McAlester Regional Health Center Authority for the full use of the MRHC's Wellness Center. *(Cora Middleton, City Clerk)*
- F. Accept and place on file the McAlester Main Street Annual Performance Report for FY 2015-2016. *(Lacey Sudderth, Executive Director)*
- G. Accept and place on file the Pride in McAlester Annual Performance Report for FY 2015-2016. *(Stephanie Giacomo, Executive Director)*
- H. Consider and act upon, authorization of payment to KATCON, Inc., Invoice Payment #1, in the amount of \$ 57,236.08, for Construction Services related to Washington Avenue Pavement Reconstruction Project and funded through the McAlester Public Works Authority Construction Fund Series 2014 Project Account. *(Peter Stasiak, City Manager)*
- I. Consider and act upon, ratification of Change Order #1 for KATCON, Inc., for CIP#5, Washington Avenue Improvements in the amount of \$ 3,240.00. *(Peter Stasiak, City Manager)*
- J. Consider and act upon, to concur with Oklahoma Municipal Assurance Group denial of Claim No. 201925-JS. *(Cora Middleton, City Clerk)*
- K. Consider and act upon, authorizing the Mayor to sign two (2) separate "Memorandums of Agreement" between the City of McAlester and The Choctaw Nation of Oklahoma and Pittsburg County, Oklahoma for the Tannehill Road resurfacing project. *(Mel Priddy, Acting City Manager)*

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

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

Mayor Browne declared the motion carried.

A motion was made by Councilman Smith and seconded by Councilman Read to open a Public Hearing addressing one (1) ordinance. There was no discussion, and the vote was taken as follows:

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

NAY: None

Mayor Browne declared the motion carried, and the Public Hearing was opened at 6:03 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. 2568 WHICH ESTABLISHED THE BUDGET FOR FISCAL YEAR 2016-17; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING FOR A SEVERABILITY CLAUSE; AND DECLARING AN EMERGENCY.

There were no comments from the Council or the citizens and Councilman Read moved to close the Public Hearing. The motion was seconded by Councilman Smith and the vote was taken as follows:

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

NAY: None

Mayor Browne declared the motion carried, and the Public Hearing was closed at 6:04 P.M.

Scheduled Business

1. Consider and act upon, an Ordinance amending Ordinance No. 2568 which established the budget for fiscal year 2016-17; 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. 2573

AN ORDINANCE OF THE CITY OF McALESTER, OKLAHOMA, AMENDING ORDINANCE NO. 2568 WHICH ESTABLISHED THE BUDGET FOR FISCAL YEAR 2016-17; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING FOR A SEVERABILITY CLAUSE; AND DECLARING AN EMERGENCY.

CFO Ervin addressed the Council reviewing the exhibit for the budget amendment explaining that it was to purchase bullet proof vests for the Police Department through a Police Grant.

There was no discussion, Councilman Smith moved to approve **ORDINANCE NO. 2573**, amending fiscal year 2016/2017 budget. The motion was seconded by Councilman Read, and the vote was taken as follows:

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

NAY: None

Mayor Browne declared the motion carried.

Councilman Read moved to approve the EMERGENCY CLAUSE. The motion was seconded by Vice-Mayor Karr, and the vote was taken as follows:

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

NAY: None

Mayor Browne declared the motion carried.

2. Consider and act upon, authorizing the Mayor to sign a lease purchase agreement with Arvest Equipment Finance pursuant to Section 2-275 of the McAlester City Code, for one new and unused Excavator with Trailer. (*Toni Ervin, Chief Financial Officer*)

Executive Summary

Motion to approve and authorize the Mayor to sign the lease purchase agreement with Arvest Equipment Finance for the Excavator and Trailer.

CFO Ervin addressed the Council explaining that Utility Maintenance was down to one (1) backhoe and this was bid through the State Bid pricing.

There was no discussion, and Councilman Smith moved to authorize the Mayor to sign a lease purchase agreement with Arvest Equipment Finance pursuant to Section 2-275 of the McAlester City Code, for one new and unused Excavator with Trailer. The motion was seconded by Vice-Mayor Karr and the vote was taken as follows:

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

NAY: None

Mayor Browne declared the motion carried.

3. Consider and act upon, authorizing the granting of a security interest in a \$250,000 Certificate of Deposit from Fund 30 Economic Development to First National Bank & Trust of McAlester as collateral for a business development loan to Krebs Brewing Company, Inc. (*Leroy Alsup, Community & Economic Development Director, Kirk Ridenour, Economic Development Manager*)

Executive Summary

Motion to approve granting of a security interest in a \$250,000 Certificate of Deposit from Fund 30 Economic Development to First National Bank & Trust of McAlester as collateral for a business development loan to Krebs Brewing Company, Inc. and to authorize the Mayor to execute the Commercial Security Agreement with First National Bank & Trust of McAlester.

Director Alsup addressed the Council explaining that the Krebs Brewing Company expansion project was a legitimate public purpose for which a municipality could expend public funds and this would create thirty (30) new jobs over the next three (3) years with an annual payroll of \$1,229,200 with an average wage of \$41,000. He added that this would directly benefit the City of McAlester's economy.

After discussion among the Council, Kirk Ridenour, Economic Development Manager, Jeff Warmuth, McAlester Chamber of Commerce Executive Director and Attorney Ervin concerning the possible economic impact the project could have on the City, the conservative projections, what the City would have if this project did not prosper, the City's total risk, when that risk would be retired and this being a common practice in many communities, a motion was made by Councilman Smith to authorize the granting of a security interest in a \$250,000 Certificate of Deposit from Fund 30 Economic Development to First National Bank & Trust of McAlester as collateral for a business development loan to Krebs Brewing Company, Inc. The motion was seconded by Councilman Read.

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

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

NAY: None

Mayor Browne declared the motion carried.

4. Consider and act to adopt a resolution to document the commitment of \$1,119,951 of leveraged funds for the CDBG-EDIF grant application to ODOC for the Krebs Brewing Co., Inc. Industrial Building/Property Acquisition Project. (*Leroy Alsup, Community & Economic Development Director, Kirk Ridenour, Economic Development Manager*)

Executive Summary

Motion to adopt a resolution to document the commitment of \$1,119,951 of leveraged funds for the CDBG-EDIF grant application to ODOC for the Krebs Brewing Co., Inc. Industrial Building/Property Acquisition Project.

Director Alsup addressed the Council explaining that in May the Council had approved RESOLUTION NO. 16-07, and the only change on this amended resolution was changing 'Krebs Brewery Holding Company' to 'Krebs Brewing Company, Inc. He added that the monetary amounts were the same.

There was no further discussion, and a motion was made by Councilman Garvin and seconded by Councilman Read to approve RESOLUTION NO. 16-11, and the vote was taken as follows:

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

NAY: None

Mayor Browne declared the motion carried.

5. Consider and act upon, approval and authorization for the Mayor to sign Change Order #1 for H&G Paving Contractors, A Street Repairs, for an increase in the contract value of \$ 3,234.00. (*Peter Stasiak, City Manager*)

Executive Summary

Staff recommendation is to approve and authorize the Mayor to sign Change Order #1 for H&G Paving Contractors, Inc., for an increase in the contract value of \$3,240.00. This Change Order also adds 30 days to the completion date due to waterline leaks, rain days, additional patching requests and utility lines. Substantial Completion is now scheduled for September 4, 2016.

Robert Vaughan, Branch Manager Infrastructure Solutions Group, LLC addressed the Council informing them that this project was progressing but do to the location of water lines, water line leaks, rain delays and additional patching requests this Change Order was submitted to account for the unforeseen delays.

There was no discussion, and a motion was made by Councilman Read to authorize the Mayor to sign Change Order #1 for H&G Paving Contractors, A Street Repairs, for an increase in the contract value of \$ 3,234.00 and adding thirty (30) days. The motion was seconded by Councilman Smith and the vote was taken as follows:

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

NAY: None

Mayor Browne declared the motion carried.

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.

Acting Manager Priddy reported that all City pools except for Stipe were closed and Stipe would remain open for the next three (3) weekends.

Remarks and Inquiries by City Council

Vice-Mayor Karr commented that he had received compliments on the Archery Park.

Councilman Garvin read from a document concerning events that had transpired in the City of McAlester on August 10, 1941. He stated that Oklahoma State Penitentiary Warden Jess Dunn and Pittsburg County Jailer Tab Ford had been killed during a shootout with four (4) escapees and that Oklahoma State Penitentiary Guard Bob Pollock had been wounded. He continued stating that three (3) of the escapees had been shot and killed by Deputy Sheriff Alexander and the fourth (4th) escapee was later executed on July 14, 1943, for the deaths of Jess Dunn and Tab Ford. He commented that this occurrence, the Prison Rodeo and the disappearance of the

electric chair have all played a big part of McAlester history and he wanted these things recognized.

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

Mayor's Comments and Committee Appointments

Mayor Browne commented on the Grand Opening of the remodeled Walmart and informed the Council and audience of "Oklahomans for Criminal Justice Reform" meeting at EOSC on August 18, 2016 at 5:30 P.M. He added that this would go well with the "drug forums" that the City had been conducting.

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, Karr, Garvin, Barnett & Mayor Browne

NAY: None

Mayor Browne declared the motion carried and the meeting was recessed at 6:28 P.M.

Reconvene Council Meeting

The Regular Meeting was reconvened at 6:29 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, Garvin, Barnett & Mayor Browne

NAY: None

Mayor Browne declared the motion carried, and the meeting was adjourned at 6:30 P.M.

ATTEST:

John Browne, Mayor

Cora Middleton, City Clerk