

MINUTES OF THE PUBLIC WORKS AUTHORITY MEETING, OCTOBER 4, 2011

Minutes of the regular meeting of the Chairman and Trustees of the Clinton Public Works Authority of Clinton, Oklahoma, Custer County, held in the City Council Room, City Hall on Tuesday, October 4, 2011 at 5:30 P.M. A notice of this meeting with agenda was posted on the bulletin board in the lobby of Clinton City Hall on September 30, 2011.

Chairman Bryson called the meeting to order with the following present:

CHAIRMAN: Allen Bryson

TRUSTEES: Don Rodolph, Bob Marcy, Phyllis Smith, Steve Jones

CITY MANAGER: Steve Hewitt

CITY CLERK: Lisa Anders

CITY TREASURER: Debra Blanchard

DEPUTY CLERK: Absent

CITY ATTORNEY: Ryan Meacham

NEWS MEDIA: Gerald Green and Jarod Atha

OTHERS: David Crabtree, Mary Helen Jones, Arnold Adams, Shawn Driver, Jason Hulin, Curtis Maloy, Cheryl Lowry, John & Sherry Boyles, Earl Agan, bobby Hoffman, Terrill Zerby and others.

Roy Dobbs of the First Church of God opened the meeting with prayer and Trustee Phyllis Smith led the Pledge of Allegiance.

AGENDA ITEM NO. 3: CONSENT AGENDA

- A. Minutes of the Regular Meeting of September 20, 2011
- B. Consider Claims

Moved by Trustee Marcy and seconded by Trustee Smith, that Consent Agenda Item No. 3 (a-b) be approved.

Chairman put the motion to a roll call vote:

Aye: Marcy, Smith, Jones, Rodolph, Bryson

Nay: None

Chairman declared the motion carried.

AGENDA ITEM NO. 4. ACTION ITEMS

4A. AFFIRM EXPENDITURE BY CLINTON PUBLIC SCHOOLS BOARD OF EDUCATION TO JOE D. HALL, GENERAL CONTRACTOR FOR SCHOOL CONSTRUCTION

Motion was made by Trustee Smith and seconded by Trustee Marcy to affirm the expenditure by Clinton Public Schools Board of Education to Joe D. Hall for school construction projects.

Chairman put the motion to a roll call vote:

Aye: Smith, Marcy, Rodolph, Jones, Bryson

Nay: None

Chairman declared the motion carried.

4B. DISCUSS AND CONSIDER WATER RATE ADJUSTMENT

City Manager Steve Hewitt reported that previously the Authority had approved a temporary residential increase in water rates. He said the drought has caused this situation and the situation continues. He said a calculation of usages and sales of water shows a potential loss of \$400,000 for the year for Public Works. He said a recommendation for an across the board increase to all users is being presented. Four options were presented but City Manager Hewitt said Schedule C is recommended by staff. He said this option would produce around \$400,000.00. He said a resolution would be brought back to the Authority at the next meeting once the selection has been made for action.

Trustee Marcy asked about negotiating with Arapaho regarding water rates.

City Manager Hewitt said that could not be done until April 2012 due to an agreement with Arapaho.

Trustee Jones asked about the condition of temporary.

City Manager Hewitt said the condition would continue to be monitored and bring reports back to the Authority. He said he wanted to piggy back this with the next item regarding a Water Study to be conducted by Garver Engineering.

Trustee Rodolph said he thought this should be looked at in three to six months because he did not want this to be a permanent increase.

Chairman Bryson said he would rely on staff to inform the Authority regarding the water condition. He said if this is not addressed now, the Public Works Authority could lose flexibility in the future regarding capital improvement needs.

Roy Dobbs asked why Arapaho is charged higher rates than Clinton residents.

Chairman Bryson said Arapaho is charged the same outside rates as others living outside the city limits of Clinton but the Town of Arapaho charges the residents additional fees for improvements in their community.

Motion was made by Trustee Marcy and seconded by Trustee Smith to approve Schedule C for a water rate adjustment.

Chairman put the motion to a roll call vote:

Aye: Marcy, Smith, Jones, Rodolph, Bryson

Nay: None

Chairman declared the motion carried.

4C. CONSIDER APPROVAL OF GARVER ENGINEERING TO PROVIDE CITY WITH WATER STUDY

City Manager Steve Hewitt said he felt it is important to move forward on plans to supplement the City's water. He said we need to look for a solution to the current situation. The proposal from Garver Engineering is for \$23,800.00.

Trustee Jones asked if they would be looking at older studies while evaluating the current situation.

Curtis Maloy asked if Garver would be checking the contaminated well field around Burns Flat.

Motion was made by Trustee Rodolph and seconded by Trustee Marcy to approve the proposal from Garver Engineering to provide the City with a Water Study.

Chairman put the motion to a roll call vote:

Aye: Rodolph, Marcy, Jones, Smith, Bryson

Nay: None

Chairman declared the motion carried.

4D. CONSIDER AGREEMENT WITH WHITE DOG FOR WATERLINE EXPANSION

City Manager Steve Hewitt reported that Nelson King of the White Dog had contacted the city regarding the City providing water to his property at the restaurant. Hewitt said the estimated cost of the expansion of the water line is \$30,000.00. He reported that currently city waterlines run to Kingdom Hall.

City Manager said the agreement presented for the consideration of the Authority includes that Mr. King would agree to the annexation of the property which would increase the City's sales tax collections. Mr. King asks that he be able to pay his portion of the cost over a five year period. Hewitt said the staff recommends the approval of the agreement.

Public Works Director Arnold Adams said the waterline to Kingdom Hall is a four inch line and the expansion to White Dog would be a two inch line. He said if a bigger line were installed it would require a bigger pump.

Motion was made by Trustee Marcy and seconded by Trustee Smith to approve the agreement with White Dog for waterline expansion.

Chairman put the motion to a roll call vote:

Aye: Marcy, Smith, Jones, Rodolph, Bryson
Nay: None

Chairman declared the motion carried.

4E. REQUEST AUTHORIZATION TO CALL FOR EARLY REDEMPTION OF OUTSTANDING 2002 PUBLIC WORKS AUTHORITY RESERVE BONDS

City Manager Steve Hewitt explained the purpose of the request is to reduce debt since the current interest rates are so low. He felt it would be better to use the money to work for the City.

City Treasurer Debra Blanchard explained the proposal to pay off debt which would save on the interest charges. She said the current CD rates are low and the interest charges on the debt are higher. She explained that funds not involved in the Hospital lease project but treated in the same manner could be used for the early payoff and save the interest. She said approximately \$40,000 in interest could be saved by using the funds that are earning .40 or .50% in CD interest.

City Manager Steve Hewitt said he would encourage the Authority to move forward on this action.

Motion was made by Trustee Rodolph and seconded by Trustee Jones to authorize the calling for early redemption of outstanding 2002 Public Works Authority Reserve Bond and return the funds to the Hospital Interest earning fund to maintain cash.

Chairman put the motion to a roll call vote:

Aye: Rodolph, Jones, Smith, Marcy, Bryson
Nay: None

Chairman declared the motion carried.

AGENDA ITEM NO .5: CITY MANAGER'S REPORT

City Manager Steve introduced Jeremy Brush of Severn Trent who has replaced Rusty Whisenhunt.

AGENDA ITEM NO. 6: AUDIENCE PARTICIPATION

None

AGENDA ITEM NO. 7: ADJOURNMENT

Moved by Trustee Jones and seconded by Trustee Marcy that the meeting adjourn.

Chairman put the motion to a roll call vote:

Aye: Jones, Marcy, Smith, Rodolph, Bryson

Nay: None

Chairman declared the meeting adjourned at 6:15 pm.