



June 20, 2016

The **REGULAR** meeting of the **CHICKASHA MUNICIPAL AUTHORITY** was held in the council chambers in city hall on the 20th day of June 2016, as specified by advance public notice with a properly prepared agenda stating the subject matter or matters to be discussed at said meeting. Mayor Ross called the meeting to order at 7:15 p.m.

ITEM 1. **Call to Order / Roll Call**

CHAIRMAN AND TRUSTEES

PRESENT: Hank Ross, Mayor
 John Toland
 Kimberly Loggins
 Phylis Steelman
 Mike Sutterfield
 Howard Carpenter
 Jerry Pittman
 Ashanti-Alexander
 Blake Elliott

STAFF

Alan Guard, City Manager
Tom Frailey, Attorney
Steve Chapman, Park and Recreation Director
Tina Smith, City Clerk
Brian Zalewski, Fire Chief
Stewart Steele, Police Chief
Susan Jones, Executive Assistant
Lillie Huckaby, Library Director
Gina Snedeker, Finance Director
Jim McClain, Public Works Director
Robinson Camp, Capital Project Manager
Kim Kohler, Special Event Manager

ITEM 2. **Consent Docket: ITEM 2a through ITEM 2c.**

ITEM 2a. **Consider approving the minutes of the June 6th, 2016 regular meeting.**

Staff Recommendation: Approve minutes, and authorize filing thereof.

ITEM 2b. Consider approving the Purchase Order list for the last half of June 2016 in the amount of \$295,551.06.

The Purchase Order List for the last half of June 2016 in the amount of \$295,551.06 needs approval by Chairman and Trustees.

Staff Recommendation: Approve the Purchase Order List for the last half of June 2016 in the amount of \$295,551.06.

ITEM 2c. Consider authorizing staff to solicit bids for Replacement of Media Filtration System at the Water Plant

The existing filtration system at the Water Plant no longer has an effective media filtration system. Primarily because it has been over 10 years since it has been changed or added to. The existing sand and anthracite is being lost to the point where there's almost nothing left. Olsson & Associates have checked it out, and are working on the bid specs. We have decent filtration at this time, but by replacing this it would increase the quality of the water exponentially.

Staff Recommendation: Authorize staff to solicit bids for the replacement of the media filtration system at the Water Plant.

Motion by Trustee Sutterfield, second by Trustee Elliott to approve Consent Docket: ITEM 2a through ITEM 2c.

Roll call vote:

"Ayes:" Pittman, Loggins, Steelman, Toland, Ross, Sutterfield, Elliott, Ashanti-Alexander and Carpenter

"Nays:" None

"Abstain:" None

Motion carried. 9-0

ITEM 3. Discussion / Approval of Items Removed from Consent Docket:

No action taken on ITEM 3

ITEM 4. Ordinances and Resolutions:

ITEM 4a. Consider an Ordinance Establishing a Drainage Utility.
Due to its location along the various waterways including Congo Creek, Line Creek and the Washita River, a

considerable amount of the City of Chickasha is in the floodplain or floodway. As a result, there has been a history of flooding, particularly in the downtown, along businesses and residences along Congo Creek and in the east part of Chickasha.

Oklahoma state law provides for cities the ability to establish drainage utilities. Staff and the City Council have been discussing the establishment of a drainage utility and subsequent fee since August 2015. These discussions included operations of the drainage system in addition to drainage related capital projects.

The City has identified \$16 million of drainage projects including downtown flooding, Congo Creek flooding and a collapsed drainage system under the parking lot at the Atwood's shopping center. Within the FY2016 budget, the City does not have a dedicated crew to maintain the drainage system that is in place. In addition, there is a total of \$265,000 budgeted for drainage projects. Therefore, staff recommends the establishment of a drainage utility fee.

In November of 2015, the City Council approved a contract with Raftelis Financial Consultant to conduct a study on the establishment of a drainage utility, assist with the creation of an ordinance and to calculate the appropriate fee to cover the costs of operation and capital projects.

The reasons for the ordinance include:

- (A) Effective stormwater management should be provided to protect, to the extent practicable, the citizens of the City from the loss of life and property damage from flooding
- (B) Water quality standards mandated by state and federal law are requiring that local governments develop more detailed, advanced, and costly stormwater programs.
- (C) The construction, operation, and maintenance of stormwater conveyance systems requires long term planning and stable and adequate funding.
- (D) The City is authorized to acquire, construct, establish, enlarge, improve, extend, maintain, own, operate, and contract for the operation of Storm Drainage Programs designed to protect water quality by controlling the level of pollutants in, and the quantity and flow of, stormwater and structural and natural stormwater and drainage systems of all types.
- (E) The establishment of a Storm Drainage Utility that would be accounted for as a separate enterprise fund and would facilitate the provision of a Storm Drainage Program is reasonable and in the public interest.
- (F) The City is authorized to establish and revise, from time to time, a schedule of rates and charges to fund the Storm Drainage Program activities including both structural and natural stormwater conveyance and Drainage System services provided by the Storm Drainage Utility.

The ordinance also allows for the establishment of a fee, exemptions to the fee, a credit program and a discount program.

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| | FY 2016-2017 | FY 2017-2018 | FY 2018-2019 | FY 2019-2020 | FY 2020-2021 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Revenue Requirements | | | | | |
| Operations | \$ 813,490 | \$ 829,760 | \$ 846,355 | \$ 863,282 | \$ 880,548 |
| Overhead | - | - | - | - | - |
| PAYGO Capital | - | - | - | - | - |
| Debt Service | 533,711 | 533,711 | 533,711 | 735,151 | 735,151 |
| Total Revenue Requirements | \$ 1,347,201 | \$ 1,363,471 | \$ 1,380,066 | \$ 1,598,433 | \$ 1,615,698 |
| <i>Reserves/Credit Program Adjustment</i> | <i>100,000</i> | <i>100,000</i> | <i>100,000</i> | <i>100,000</i> | <i>100,000</i> |
| Anticipated Revenue | | | | | |
| Total Rate Base (Units) | 20,445 | 20,854 | 21,271 | 21,696 | 22,130 |
| Expected Collection | 85% | 86% | 88% | 90% | 92% |
| Calculated Monthly Rate | \$ 6.94 | \$ 6.80 | \$ 6.59 | \$ 7.25 | \$ 7.02 |
| Override Monthly Rate | \$ 7.00 | \$ 7.00 | \$ 7.00 | \$ 7.00 | \$ 7.00 |
| Annual SCM Credit Impact | \$ 23,923 | \$ 24,402 | \$ 24,890 | \$ 25,387 | \$ 25,895 |
| Annual Hardship Discount | \$ 23,400 | \$ 23,400 | \$ 23,400 | \$ 23,400 | \$ 23,400 |
| Annual Education Credit Impact | \$ 26,544 | \$ 27,075 | \$ 27,616 | \$ 28,169 | \$ 28,732 |
| Annual Anticipated Revenue | \$ 1,385,906 | \$ 1,431,609 | \$ 1,496,445 | \$ 1,563,291 | \$ 1,632,204 |
| Operating Fund Balance | \$ 38,705 | \$ 68,139 | \$ 116,379 | \$(35,141) | \$ 16,506 |
| Capital Fund Balance | \$ 3,931,475 | \$ 1,951,200 | \$ 472,199 | \$ 1,393,198 | \$(728,304) |
| Operating Reserve Days | 17 | 30 | 50 | (15) | 7 |
| Debt Service Coverage | 1.07 | 1.13 | 1.22 | 0.95 | 1.02 |

You can see over the five-year period that the calculated monthly rate fluctuates below and above the \$7.00 range. \$7.00 is the recommended rate so that it remains flat during this period. Also, notice that this does not create a large fund balance. This is a zero-based budget and the revenue generated covers only the cost of service and drainage projects identified.

There are several exemptions and discounts, or credits. Property in Chickasha owned by the City of Chickasha, Grady County, the Chickasha Public Schools and USAO will be exempted from the fee. Seniors citizens and residents with disabilities who meet certain income guidelines can apply for a \$3.00 per month discount. Non-residential property owners who have water detention infrastructure on their property can apply for a credit on their bill for up to 40% of the fee.

Staff Recommendation: Approve the Resolution.

Resolution passed in City Council Meeting 5c.

ITEM 4c. Consider approving a resolution adopting the Budget for FY 2016-2017.

Council has previously received a copy of the FY 2016-17 Budget for review, and has held two work sessions to discuss the future budget on April 11 and May 9, 2016. The

Staff Recommendation: Approve the ordinance.

Ordinance passed in City Council Meeting 5d.

ITEM 5. **Consideration and Discussion:**

ITEM 5a. **Discussion, consideration, and possible action to approve the amendment to employment agreement between the City of Chickasha, the Chickasha Municipal Authority, and Alan Guard as city Manager and authorize the Mayor to execute the same.**

The City Council met in Executive Session to discuss the city manager's performance on April 4, 2016, April 18, 2016 and May 2, 2016. On May 2, 2016 upon reconvening from executive session, a motion was made by Council Member Toland and seconded by Council Member Steelman to retain Alan Guard as City Manager and provide him with a 4% raise effective January 1, 2017. The motion passed 8-1.

This agenda item formalizes that vote by amending the City Manager's contract.

Staff Recommendation: Approve the contract amendment with the City Manager.

*Motion by Trustee Toland, second by Trustee Loggins to approve the amendment employment agreement between The City of Chickasha, Chickasha Municipal Authority, and Alan Guard. *

Roll call vote:

| | |
|-----------------|---|
| "Ayes:" | Steelman, Toland, Ross, Sutterfield Elliott, Ashanti-Alexander, Pittman and Loggins |
| "Nays:" | Carpenter |
| "Abstain:" | None |
| Motion carried. | 8-1 |

ITEM 5b. **Consider authorizing staff to submit applications for permits to ODEQ on rebuilding 5 Lift Stations**

Olsson & Associates is the engineer dealing with the various lift station projects. 5 lift stations have been identified as needing to be rebuilt. These lift Stations are as followed:

- 23rd Street Lift Station – Located at Grand Avenue and 23rd Street
- Spencer Lift Station – Located on Iowa Avenue
- Sentry Lift Station – Located at Vermont Avenue and 12th Street
- 12th & Penn Lift Station – Located at 12th Street and Pennsylvania Avenue
- Illinois Lift Station – Located at 7th Street and Illinois Avenue

7:15 P.M.

The construction of each of these will require a permit from ODEQ. Each permit is a different amount. Listed below are the permit fees:

23rd Street Lift Station - \$600.22

Spencer Lift Station - \$747.65

Sentry Lift Station - \$452.79

12th & Penn lift Station - \$305.36

Illinois Lift Station - \$747.65

Staff Recommendation: Authorize staff to submit applications for permits to ODEQ for rebuilding the 5 Lift Stations listed above.

*Motion by Trustee Sutterfield, second by Trustee Carpenter to authorize staff to submit applications for permits to ODEQ. *

Roll call vote:

“Ayes:” Toland, Ross, Sutterfield, Elliott Ashanti-Alexander, Carpenter, Pittman, Loggins and Steelman

“Nays:” None

“Abstain:” None

Motion carried. 9-0

ITEM 5c. Consider declaring deadline water meters as surplus and dispose of as deemed most appropriate.

The new water meter changes out program has left the City with several thousand used water meters that we no longer have need for, and that we would like to dispose of. Disposition of the meters will be what is most advantageous to the City.

Staff Recommendation: Approve declaring the used water meters as surplus and allow staff to dispose of them as it deems appropriate and in the best interest of the City.

*Motion by Trustee Loggins, second by Trustee Toland to declare deadline meters as surplus. *

Roll call vote:

“Ayes:” Ross, Sutterfield, Elliott Ashanti-Alexander, Carpenter, Pittman, Loggins, Steelman and Toland

“Nays:” None

“Abstain:” None

Motion carried. 9-0

ITEM 6. Bid Openings and Awards:

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**ITEM 6a. Consider awarding bid for annual Water / Wastewater
Line Utility Materials – Bid 2016-051.**

Council authorized Staff to solicit bids for Water Wastewater Line Utility Materials at the April 6, 2016 Council meeting. As the results of those solicitations, the following vendors submitted their bids:

ETNA Supply
HD Supply
Oklahoma Contractors Supply
Pioneer Supply
Ferguson Waterworks

Staff reviewed the bids submitted and recommends awarding the bid to lowest vendors with availability, for the items that meet specifications.

The Water Utility Materials Award book will be available in the Public Works Directors office for your review and information.

Staff Recommendation: Award bid 2016-051 – Water / Wastewater Line Utility Materials as contained in the Water Line Utility Materials award book.

*Motion by Trustee carpenter, second by Trustee Toland to award bid for annual Water/Wastewater Line Utility Materials. *

Roll call vote:

| | |
|-----------------|--|
| “Ayes:” | Sutterfield, Elliott Ashanti-Alexander, Carpenter, Pittman, Loggins, Steelman, Toland and Ross |
| “Nays:” | None |
| “Abstain:” | None |
| Motion carried. | 9-0 |

**ITEM 6b. Consider awarding bid for Commonly Used Items –
Rock/Sand etc.**

Each year staff bids commonly used items – rock/sand etc. on a year basis. Staff wishes to award bid to lowest bid on each item.

Staff Recommendation: Award bid to the lowest bidder on each item.

*Motion by Trustee carpenter, second by Trustee Toland to award bid for annual Water/Wastewater Line Utility Materials. *

Roll call vote:

"Ayes:"

Elliott Ashanti-Alexander, Carpenter, Pittman, Loggins, Steelman, Toland, Ross and Sutterfield

"Nays:"

None

"Abstain:"

None

Motion carried.

9-0

Motion to Adjourn

Mayor Ross reported no further business and that the meeting was adjourned.

TIME: 7:21 P.M.

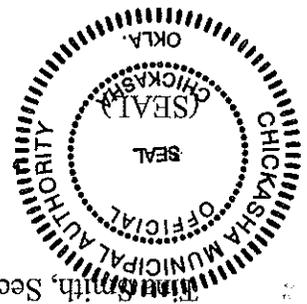
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ATTEST:

Hank Ross, Mayor

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Smith, Secretary



[Handwritten initials]

Approved this _____ day of July, 2016.