

MINUTES OF A SPECIAL MEETING OF CLINTON CITY COUNCIL, CLINTON PUBLIC WORKS AUTHORITY, CLINTON HOSPITAL AUTHORITY, CLINTON SOLID WASTE AUTHORITY, CLINTON RECREATIONAL AUTHORITY, CLINTON AIRPORT AUTHORITY AND CLINTON INDUSTRIAL AUTHORITY

TUESDAY, MAY 14, 2013

Minutes of a special meeting of the Mayor/ Chairman and Council/Trustees of the City of Clinton, Oklahoma, Custer County, held at the Frisco Center on Tuesday, May 14, 2013, 5:30 P.M. A notice of this meeting with agenda was posted on the bulletin board in the lobby of the Clinton City Hall on May 10, 2013.

Mayor/Chairman Seth Adams called the meeting to order with the following present:

Trustee/ Council: Don Rodolph, Wheeler, Lowry, Jason Hulin, Lucas Martinez

City Manager: Steve Hewitt

City Clerk: Lisa Anders

News Media: Gerald Green and Mike Pilosof

Others: David Crabtree, Kris Wermey, Debra Blanchard, Randy Carpenter, Rhonda Williams, Stephen Jones, Gene McCullough, Julie Menge, and others.

2. REVIEW OF 2013-2014 FISCAL YEAR BUDGET

City Manager Steve Hewitt presented the draft budget to the Council. He said the plan for each department has been reviewed with each department head. He said the plan is to build a reserve in the General Fund while the Public Works is a concern due to water and the Solid Waste will have a CPI increase. He said a rate increase will be discussed regarding water rates.

City Manager Hewitt said the budget includes a 3% Cost of Living increase and a 9% increase in the cost of health insurance. He said that Chapman Road project will be bid in September and the City will be paying their portion upfront and will not be responsible for the bidding process.

GENERAL FUND

City Treasurer Debra Blanchard explained the budget structure and said that reserves are being used to make up the 2013-2014 budget.

City Manager Steve Hewitt pointed out that the Code Enforcement Officer and the Building Inspector have been combined and included in the Public Works Department. He said that the Recreation Department has been expanded to provide new services such as the operation of the concession at Acme Brick Park. He said this provides a new revenue source and plans are to expand the tournament schedules.

City Manager Steve Hewitt said that various agencies have submitted request for funding. He said two requests have been received since the draft budgets were compiled. He said that the Clinton Roundup Club plans to begin an upgrade in the lighting at Nance Rotary Park and have requested funding of \$8,000 to assist with the project. He said that Action Associates have requested \$20,000 which is the amount of funding they received last year.

City Manager Hewitt said the increases in the budget are the result of the COLA increase, health insurance premium increase, expanded Recreation Department and \$175,000 for subsidy to the golf course which is the same amount as last year.

City Treasurer Debra Blanchard said the estimates for revenue were made conservatively.

City Manager Hewitt said the TIF District is doing better than projected but the funding is not included in the General Fund budget. He said the Use Tax is increased over last year but it is not expected to continue through the next year.

Councilman Hulin asked about the dollar value of health care.

City Manager Hewitt said the \$147,000 includes health insurance and COLA.

Councilman Rodolph suggested approval of the \$20,000 funding for Action Associates and \$8,000 to the Clinton Roundup Club for the facility improvement project at Nance Rotary Park.

CAPITAL

City Manager Steve Hewitt said originally the City understood that the full project would need to be budgeted and would receive reimbursements but this has changed. The City will be budgeting the expenditure for City's matching funds at \$500,000.

City Treasurer Debra Blanchard said the Canute waterline is included in the Capital Budget for \$550,000 as well as new business sales tax reimbursement commitments and the TIF commitments.

City Manager Steve Hewitt said funds have been requested for the replacement of the Administration Vehicle. He said the current vehicle will be transferred to Police Chief vehicle and the Charger he has been driving will be transferred to the Police Department fleet.

Other items included in the Capital Budget:

- Court Clerk- renovation for counter/reception area
- One Police Department unit
- Fire Department: bunker gear and replacement of truck
- Parks: vehicle, playground equipment, sprayer, mower deck, tennis courts repair ;
City Manager Hewitt said he is working on a partnership with Clinton Public Schools

regarding the tennis courts.

- Pool: Renovation/upgrades to get through the year; inflatable
- Acme Brick Park – equipment, tables/chairs, HVAC unit for McLain Rogers Park building
- Sports Fields- equipment and fencing
- Golf Course- lease payments, mower, top dresser will be purchased and old top dresser will be transferred to Acme to be used on sports fields; security system
- Streets- sidewalks; ODOT \$50,000 agreement, street overlay, replacement of vehicle
- Facility – pay off City Hall roof, phone system, AV/Audio infrastructure; carpet cleaner/scrubber

City Manager Steve Hewitt said a cushion of \$200,000 was left.

Gene McCullough explained that the wireless structure is so that all city facilities will be connected which will result in a monthly internet savings and improve availability.

City Manager Steve Hewitt said the City is currently working with SWODA regarding applying for a 5 year Capital Improvement Plan grant. There would be a review of capital improvement needs for city facilities and infrastructure.

PWA

City Treasurer Debra Blanchard said a rate analysis has been completed and it has been determined that a \$21,000 per month loss in operation cost has occurred. A rate adjustment was implemented in November 2011 but following that time there were extraordinary water line breaks.

City Manager Steve Hewitt said in addition to the loss due to water line breaks, there have been additional engineering costs. He said the last rate increase was based on estimated usage and due to water restrictions, the usage was reduced and therefore, revenues dropped. He said the Capital Improvement items are budgeted in the Public Works Authority budget rather than in Capital Improvement Fund. He said this includes the clarifier repairs.

Options for rate increases were presented and reviewed. He said it is preferred to cover cost and hope for a slow recovery. He said the rate for Canute water is not certain yet.

Councilman Hulin asked about the possibility of reducing the percentage on sewer charges.

Treasurer Debra Blanchard said there is a cap on sewer. Currently the rate is 60% of water revenue with a cap of \$25.00.

City Manager Hewitt said the numbers regarding the sewer rates will be brought to Council and a review of the City ordinances and DEQ requirements will be made.

Councilman Lowry asked what made up the line item for contractual services.

Treasurer Debra Blanchard said \$800,000 is for the contract with Foss and \$950,00 is for the usage of water in excess of the allotment.

City Manager Hewitt said the contract with Severn Trent to manage the Water Treatment Plant and the Wastewater Treatment Plant is also included in that line item.

Councilman Lowry asked if Severn Trent is responsible for Lake Clinton.

City Manager Hewitt said they maintain and operate the wells, lake and plants under a five year contract. He said the contract was modified last year to include a CPI increase.

Public Works Director Stephen Jones said the budget also includes funding for a contract with a company to do a process to eliminate discolored water from our water lines.

Treasurer Blanchard said Public Works Capital projects include the Canute water line and the sewer line along Chapman Road for the new hotel. She said the budget includes the revenue of \$350,000 grant funds for the water line.

SOLID WASTE AUTHORITY

Treasurer Blanchard said revenues for the Solid Waste Authority have been more than expected. She said the funds will be used to building the Solid Waste budget. She reported there is a 2% increase included in the Solid Waste contract.

City Manager Hewitt said that the capital request for the Solid Waste Authority are larger than usual because last year the request were delayed until a decision was made regarding the Solid Waste/Recycling program. The following items have been included: polycarts, a truck, packer body, pickup and a backhoe.

AIRPORT

City Manager Hewitt said the budget includes funding for engineering for upcoming projects for a fuel farm/ fencing. He said estimates were made regarding fuel sales of Jet A. The only capital request for the Airport Authority is a mower.

RECREATIONAL AUTHORITY

Treasurer Blanchard said that \$175,000 has been budgeted as a subsidy to the Golf Course. She said the capital request for the Golf Course is included in the Capital Improvement Fund.

City Manager Steve Hewitt explained that Acme has been moved out of the Recreational Authority since it is a more service oriented facility. He said golf is more of a business. He

reported that there is an addition of one full-time position at the Golf Course. He said that the club house needs consistency and the addition did not cause an increase in the required subsidy.

INDUSTRIAL AUTHORITY

Treasurer Debra Blanchard said the business tax incentive sharing program is included in the Industrial Authority budget. She said it also includes economy development training and travel. She said the Frisco Center operation and maintenance is included and funded using lodging tax proceeds. She said the lodging tax generated from the TIF district is going to pay the TIF.

Treasurer Blanchard said the Fire Station loan is run through the Industrial Authority and construction should be completed in late June. She said the first debt service semi-annual payment will be October 2013.

Other items budgeted in the Industrial Authority include:

- Robinson Addition
- Industrial platting of property along Commerce

Capital request: phone and projector for Frisco Center; It was noted that the current screen and projector at the Frisco Center will be utilized at other City facilities. Painting of the hallway and lobby at the Frisco Center is included.

CENTRAL GARAGE

Treasurer Debra Blanchard said the Central Garage fund is an internal service fund that provides services to other departments and then bills for the services.

HOSPITAL

Treasurer Blanchard said the rent for the hospital facility is now paid monthly for a total of \$125,000 per year. She said only the interest earnings are spent.

HOPE

Treasurer Blanchard said this department is for the operation of the four apartments on Frisco. She said they stay at full occupancy most of the time.

4TH CENT ACME/ ECONOMIC DEVELOPMENT/FD/PD

Treasurer Blanchard said these are pass through funds. She said the Fire Department/Police Department funds were used for the remodeling of the Police Station and the balance used for the construction of the new Fire Station. She said the balance will then be applied to the debt service.

ECONOMIC DEVELOPMENT

Treasurer Debra Blanchard said the budget includes an estimated \$290,000 to be paid back from TIF. She said this includes sales tax, lodging tax and ad valorem.

CEMETERY PERPETUAL

Treasurer Blanchard said that 12.5% of revenue from the sale of lots goes into the Cemetery Perpetual Fund. The funds are used to make capital purchases for the cemetery. The budget this year provides for the purchase of a mower and asphalt seal for the roads in the cemetery.

City Manager Steve Hewitt said that water and sewer information will be compiled and presented at the Council meeting on May 21st.

ADJOURN

Motion was made by Councilman/Trustee Hulin and seconded by Councilman/Trustee Rodolph to adjourn the meeting.

Chairman/Mayor put the motion to a roll call vote:

Aye: Hulin, Rodolph, Lowry, Martinez, Adams

Nay: None

Chairman/Mayor declared the meeting adjourned at 7:15 PM.