



City of Broken Arrow
City Council
Special Joint Meeting
Minutes

Annex
1811 S. Main St.
Broken Arrow Ok
74012

Mayor Debra Wimpee
Vice Mayor Johnnie Parks
Council Member Lisa Ford
Council Member Justin Green
Council Member David Pickel

Thursday, May 22, 2025

4:00 p.m.

Broken Arrow Senior Center

SPECIAL JOINT MEETING

Broken Arrow City Council
Broken Arrow Municipal Authority
Broken Arrow Economic Development Authority

1. Call to Order

Mayor Debra Wimpee called the meeting to order at 4:00 p.m.

2. Invocation

Tom Cook led the Invocation.

3. Roll Call

Present: 5 - David Pickel, Justin Green, Lisa Ford, Johnnie Parks, Debra Wimpee

4. Pledge of Allegiance to the Flag

Council Member Lisa Ford led the Pledge of Allegiance.

5. General Council Business

A. 25-682 Presentation, discussion, and possible direction regarding the revenues, expenditures and budgets of the City of Broken Arrow, Broken Arrow Municipal Authority, and the Broken Arrow Economic Development Authority, the proposed Fiscal Year 2026 Budgets and Financial Plans for the General Fund, Broken Arrow Municipal Authority, Broken Arrow Economic Development Authority and other funds of the City of Broken Arrow

City Manager Michael Spurgeon presented Item 25-682 and opened the annual budget workshop by thanking council members and staff for their work on the fiscal year 2026 budget. He emphasized that the budget is one of the governing body's most important responsibilities because it serves as the operational blueprint for city departments. The workshop is intended to provide a high-level review of the proposed budget through a PowerPoint presentation that covers highlights from the budget message, an executive summary, a budget overview, and presentations from department leaders. Topics include BAMA operations, capital items, street maintenance programs, general obligation bond projects, and manual fees. The session allows council members to review and ask questions before the formal public hearing on June 2, where a shorter presentation will be given and public comments accepted, followed by potential adoption at the second meeting in June. The executive summary section of the budget provides an overview of the proposed plan and outlines the city's top priorities across six focus areas.

City Manager Spurgeon explained that the city encourages residents to refer to their "utility bill" rather than a "water bill" because multiple services are included under the utility system. He outlined that the budget is developed to meet the council's directive to provide high-quality services while ensuring sufficient revenues for current needs, unexpected circumstances, and long-term financial stability. The city operates on a July 1–June 30 fiscal year, and the municipal budget serves as a blueprint for confirming priorities, determining service levels based on available resources, and guiding departmental work throughout the fiscal year. The budget is organized around six focus areas: public safety and community well-being, economic development, innovative government operations, fiscal sustainability and strategic investments, transformational community initiatives, and transparent communication.

The budget document includes the executive summary, departmental budgets, projected revenues and expenditures for each fund, the street maintenance plan, the proposed 2026

general obligation bond sale, OWRB loan projects, and manual fees, including the utility rate study. Revenues are estimated conservatively to ensure balanced funds and adequate reserves, with fund balances clearly shown for transparency. The City Manager also highlighted recent community achievements, including progress toward four-year programs at NSU and Broken Arrow being ranked the top city in Oklahoma and twelfth nationally. However, challenges remain, including flat sales tax growth, rising costs due to inflation—particularly construction costs increasing 60–70 percent since COVID—ongoing supply chain issues, and the city’s heavy reliance on sales tax revenue. As a result, the budget projects only a 1.5 percent increase in sales tax while relying on conservative forecasting and growth in other revenue sources such as franchise and building permit fees.

Finance Director Tom Cook reported that the proposed Fiscal Year 2026 City of Broken Arrow budget totals \$455,957,612 across all funds, a 3.44% decrease from the FY2025 budget of \$472,198,240. Operational spending is \$181 million, a 9.58% increase, while capital outlay is \$232.5 million, a 12.95% decrease, as previously approved OWRB and 2018 general obligation bond projects continue moving forward and being spent. Debt service is \$42.1 million, a 6% increase, covering both property-tax-funded general obligation bonds and Oklahoma Water Resources Board loan payments.

The proposed workforce includes 1,020 authorized positions, consisting of 909 full-time and 111 part-time or seasonal employees. The General Fund, which covers primary city operations such as administration, parks, streets, IT, community development, finance, and HR, has a total budget of \$153.6 million, including expenditures, transfers, and projected ending balance, a 1.7% increase from FY2025. Projected General Fund revenues for FY2026 are \$98.6 million, about 5.44% higher than last year, with sales tax growth estimated conservatively at 1.5%. In contrast, other revenues, such as building permits, ambulance services, and fines, show stronger increases.

General Fund operating expenditures total about \$32 million, including \$21.9 million for personnel, \$8.5 million for services, and \$2 million for supplies. Significant transfers include \$21.4 million to BAMA, \$600,000 each to BAEDA from both BAMA and the General Fund, \$36.2 million to the police fund, and \$30.3 million to the fire fund. A new vehicle replacement fund will generate about \$2.1 million from a utility-bill fee to support citywide vehicle purchases, primarily for police and utility-related divisions. Additionally, the city’s half-cent sales tax dedicated to capital improvements is expected to generate about \$10.9 million, funding \$22.5 million in pay-as-you-go capital projects listed in the budget document.

City Manager Spurgeon proposed allocating \$150,000 in the FY2026 budget to develop a new downtown master plan for the Rose District, noting that the district is now more than a decade old. The plan would involve hiring a consultant and forming a committee of citizens, business representatives, and community stakeholders to evaluate the district’s successes, review the downtown overlay and zoning, and identify future opportunities from Kenosha to Washington. If the council agrees, the initiative would begin after budget approval with a consultant selection process and preliminary work, followed by committee meetings that could last about a year. The committee, potentially consisting of about 20 members including council representatives and community organizations, would ultimately provide recommendations to guide future downtown development and improvements.

City Manager Spurgeon stated that if the council supports the proposed downtown master plan initiative, staff would begin planning discussions in August to clarify council priorities before hiring a consultant. The consultant would review city codes, meet with council members, and help define goals for evaluating and guiding future development in the downtown area. Spurgeon emphasized the importance of the initiative due to upcoming transitions, including the Chamber relocating and the school district returning to its building. He noted that about 15 downtown properties have redevelopment potential and could be evaluated as part of a broader strategy to support economic growth, including possible property acquisition to influence development. If approved, the initiative will be added to the FY 2026 executive summary, while most other budget items are smaller pay-as-you-go departmental requests.

Finance Director Tom Cook explained that although the new vehicle replacement fund will generate revenue, it will not fully cover the city’s vehicle and equipment needs, so additional purchases will still appear in other funds, such as the sales tax capital improvement and BAMA funds. The street sales tax fund, created when voters repurposed the original Vision tax, generates about \$5.4 million annually and will fund new projects, including \$3.76 million for mill and overlay work and about \$800,000 for miscellaneous and signal projects, with additional funds allocated for carryover projects.

The Police Sales Tax Fund has total projected revenues of about \$40.9 million, including \$3.2 million from dedicated sales tax, a \$36.2 million transfer from the General Fund, and smaller revenues such as an E911 transfer. Personnel costs make up the majority of police expenditures at \$32.6 million. The department has 156 authorized sworn positions but currently employs 158 due to approved overhiring, with typical annual attrition of five to seven officers and

potential increases due to pension-related changes. A recent state law also requires an additional 1% pension contribution from both officers and the city, costing the city about \$190,000 annually. Police capital spending totals about \$3.2 million through both the vehicle replacement fund and other capital allocations.

The Fire Sales Tax Fund receives the same \$3.2 million dedicated sales tax, along with other revenues, including a SAFER grant and a \$30.2 million transfer from the General Fund, for total revenues of about \$34.5 million. Fire department expenditures total about \$32.6 million, with most going toward personnel at \$29.2 million, while other costs include professional services, property services, operational services, and supplies. Fire capital purchases are funded through the sales tax capital improvement program and the vehicle replacement fund.

City Manager Spurgeon explained that after voters repurposed the Vision tax in 2015, separate funds were created for streets, police, and fire, with approximately 36% of general fund revenues dedicated to police and about 30% to fire. While the police fund shows an ending balance of about \$33–34 million and the fire fund about \$17 million, Spurgeon cautioned that these balances can be misleading. Although it may appear the city can easily afford increased spending or raises, the long-term cost of providing police and fire services is expected to eventually exceed the revenue allocated to those funds, likely in the early 2030s. At that point, the city would need to draw down those balances or increase the revenue allocation to those departments. He emphasized that this is why the city carefully protects those fund balances and maintains conservative revenue projections to ensure long-term financial sustainability.

City Manager Michael Spurgeon explained that emergency management has historically operated within the police department budget but was not previously identified as a separate division. At the request of staff, those costs will now be segregated to provide greater clarity and autonomy. The expenses will continue to be funded from the Public Safety Sales Tax Police Fund. Still, the budget will now show emergency management as its own division, with a separate page outlining its personnel and operational costs rather than including them within the overall police department budget.

Fire Chief Jeremy Moore thanked the council for its continued support of public safety and presented the fire department's proposed budget, which totals about \$35.3 million. The majority of the budget is dedicated to personnel costs, with the remainder covering capital purchases and other operational expenses. Capital items, totaling about \$2.7 million, include equipment costing more than \$5,000 with a lifespan of at least one year.

Key capital purchases include the second half of handheld radios for firefighters, replacing aging equipment used for on-scene communication and safety. The department will also begin replacing cardiac monitors used for defibrillation and heart monitoring, splitting the \$1.3 million replacement cost over two years by first equipping ambulances and later fire trucks. Additional replacements include Lucas devices, which provide automated CPR during medical emergencies, and ongoing rotation of personal protective equipment (bunker gear), which has a 10-year lifespan and costs about \$1.6 million to outfit the department fully.

The budget also includes ambulance remount projects, which move the existing ambulance box onto a new chassis to reduce costs compared to purchasing entirely new vehicles. Chief Moore noted that previous federal CARES and ARPA funding helped modernize the ambulance fleet, and with new personnel, the department will soon place a ninth ambulance into service. Since roughly 80% of the department's calls are EMS-related, maintaining reliable ambulance and medical equipment remains a major priority.

During the discussion, officials clarified that rifles included in the fire department budget are intended for deputy fire marshals who are certified law enforcement officers responsible for investigating suspicious fires. Because these personnel have arrest authority and law enforcement training, their equipment must be updated similarly to police equipment.

Council members also asked about personal protective equipment for female firefighters. Chief Moore explained that all bunker gear is custom-fitted for each firefighter rather than purchased in standard sizes, ensuring proper fit and safety for every individual.

The discussion also highlighted the heavy workload of the fire prevention division due to rapid development in the city. All building projects require fire department plan review, and deputy fire marshals spend significant time reviewing plans and ensuring compliance with evolving safety codes. The division currently has four deputy fire marshals with a fifth in training to help manage increasing demand, as they work closely with developers and city staff to maintain safety standards while supporting continued growth.

Fire Chief Jeremy Moore stated that the fire prevention division is currently in a strong position but may need additional staff in the coming years as the city continues to grow. The division reviews building plans, conducts inspections after construction, investigates complaints, and performs public education, such as school visits and safety programs. With increasing

development, these responsibilities have expanded significantly. The division now includes a fire marshal, deputy chief of prevention, inspectors assigned to shifts for after-hours incidents, and a daytime inspector to handle the bulk of business-hour inspections and plan reviews.

Chief Moore explained that the fire department's operational budget is about \$32 million, excluding capital purchases, with approximately 90% dedicated to personnel costs. The department has 187 sworn firefighters, including command staff, with only 16 not serving on the front line. Following the most recent academy graduation, staffing allows for up to 57 firefighters per shift, while the contractual minimum staffing level is 40. The addition of more ambulances increases required staffing to 42 and soon 44 per shift, though retirements have already slightly reduced the available staffing level. The remaining operational funds, about \$3.3 million, cover expenses such as fuel, equipment, and station repairs, supplies, promotional testing services, and mental health support services for firefighters.

Fire Chief Lance Arnold explained that about 10% of the fire department's operational budget covers non-personnel costs such as fuel, equipment maintenance, supplies, and professional services. Two of the largest operational expenses are EMS supplies, budgeted at about \$505,000, and the EMS billing service, which costs about \$305,000. The billing service collects ambulance transport payments from insurance companies and is paid a percentage of what it collects.

The department expects to generate roughly \$12 million in revenue in FY2026 outside of sales taxes, most of which goes into the city's general fund. The largest portion—about \$7.6 million—comes from EMS transport billing paid by insurance companies. Another source is the LifeRide program, a utility-bill fee paid by residents that covers ambulance transport without out-of-pocket costs. Additional revenue includes federal SAFER grant funding, which will reimburse approximately \$924,000 annually for three years to cover salaries and benefits for 12 of the 15 newly graduated firefighters. The department noted that, aside from utilities, the fire department generates more revenue than any other city department.

The budget also adds a sixth civilian position to support EMS logistics and warehouse operations as the department expands its emergency medical services operations. Arnold also explained that the department receives a portion of a Wagoner County fire sales tax, which is shared among county fire departments and used mainly for standalone purchases such as equipment.

Finally, Chief Moore provided an update on discussions with the Oak Grove Fire Protection District. Oak Grove recently formed its own district and is collecting property taxes to fund services. While Broken Arrow has historically responded to calls in that area, the city has no legal obligation to continue doing so. Oak Grove has requested that Broken Arrow continue dispatching calls and provide assistance for major incidents through mutual aid agreements, though the district plans to begin handling routine responses itself. Discussions are ongoing to determine future responsibilities and any operational or technology requirements needed to support the new arrangement.

During the discussion, officials noted that once Fire Station 8 becomes operational, the department may respond to more calls in the eastern area. Chief Moore explained that most responses in that direction are currently handled by Station 4, whose coverage area extends from the Broken Arrow city limits east to the Arkansas River and from 101st Street to 31st Street. The situation is complicated by overlapping jurisdictions with other departments, including the Rolling Hills volunteer fire department. Ongoing discussions with county officials, including a county commissioner, are focused on determining how responsibilities and coordination between the departments will work moving forward.

City Manager Michael Spurgeon explained that city officials recently met with Wagoner County Commissioner Hanning and Oak Grove leadership to discuss service expectations as the area grows. While Broken Arrow has historically provided emergency services outside its city limits, Spurgeon emphasized the need to ensure the city is not expected to continue expanding those services without compensation. Population and utility projections suggest significant growth in the region over the coming decades, which could increase demand for services.

City Manager Spurgeon said the city is not currently concerned about providing ambulance service to the area, but wants to establish clear agreements now to define responsibilities between Broken Arrow and the Oak Grove Fire Protection District. Creating formal agreements would ensure future leaders have documented expectations regarding services and compensation rather than relying on informal understandings.

During the discussion, officials explained that Oak Grove firefighters already assist Broken Arrow on structure fires in eastern areas where the water supply is limited because those locations are outside the city's water distribution system. Their response is automatic when such fires occur. Council members emphasized the importance of establishing clear protocols

and agreements to define responsibilities and billing for services, particularly as parts of the area may eventually be annexed into Broken Arrow.

Chief Moore noted that Wagoner County officials have discussed the possibility of de-annexing Oak Grove's fire district in the future to avoid overlapping jurisdictions. However, no formal requirement exists for that change. Officials also highlighted broader concerns about overlapping services, where residents may currently pay property taxes to volunteer fire departments while also paying city taxes that fund Broken Arrow fire services. As annexation and development continue, leaders want those governmental entities involved in discussions to ensure residents are not paying for duplicate fire protection services.

City staff and Wagoner County officials are working behind the scenes to develop a clear plan for emergency services in the Oak Grove area. Future decisions and formal agreements will likely require council approval, as the city wants to maintain strong relationships with Wagner County while ensuring the cost of services provided outside city limits is justified and clearly defined.

Chief Moore noted that the city currently receives about \$99,000 annually from a fire subscription program offered to residents outside Broken Arrow city limits who want guaranteed fire service. If those residents do not subscribe and the city responds to a fire, they are billed according to the city's manual of fees, which can total several thousand dollars per incident. Additionally, roughly \$150,000 of EMS revenue comes from ambulance responses in that area. However, Oak Grove residents who recently voted to fund their own fire district may object to paying both local taxes and Broken Arrow service fees. City leaders anticipate this could create conflicts, particularly when Broken Arrow responds to fires automatically, and residents later receive large bills. As discussions continue, officials are evaluating how to balance service expectations, costs, and fairness to residents while maintaining cooperation with neighboring jurisdictions.

Assistant City Manager Kenny Schwab reported that the FY 2026 BAMA (Broken Arrow Municipal Authority) budget totals about \$177 million, which is an 11.66% decrease from the FY2025 budget of just over \$200 million. The decrease is largely due to a 36% reduction in capital outlay as previously funded projects move forward and are completed. At the same time, operating costs, reserve balances, and debt service have increased by about 8.36% as the city begins repaying loans used to finance major infrastructure projects.

Mr. Schwab noted that the BAMA budget covers utilities such as water, sewer, stormwater, solid waste, and recycling. A utility rate study was originally designed as a five-year plan, but rate adjustments were paused during the COVID-19 pandemic. The city has since completed a new five-year rate study that includes solid waste and recycling, and although it has not yet been formally adopted, the proposed budget assumes those updated rates will move forward. Additional discussion of those rates will occur during the manual fees review.

He also explained the city's approach to infrastructure funding. Some projects are funded through "pay-as-you-go" capital, which uses current-year revenues and totals about \$8.7 million for FY 2026. Larger infrastructure projects are financed through the Oklahoma Water Resources Board revolving loan program, a widely used state funding source. Broken Arrow is one of the largest users of this program, reflecting the city's policy of maintaining and upgrading infrastructure rather than deferring maintenance, which can lead to much higher costs in the future.

Officials explained that because Broken Arrow grew rapidly for many years, some underground infrastructure, such as water and sewer systems, had previously been deferred for maintenance. Over the past decade, the city has shifted its approach, prioritizing consistent investment in those systems to avoid larger and more expensive problems later. Much of this work is funded through the Oklahoma Water Resources Board revolving loan program, which supports projects related to drinking water under the Drinking Water Act and wastewater systems under the Clean Water Act. The city typically seeks between \$20 and \$25 million in loans each year for water and wastewater improvements, with the FY2026 proposal including nearly \$25 million in new projects and about \$49.5 million in combined projects across two years.

The city also maintains a long-term capital improvement program that projects infrastructure needs seven to fifteen years into the future while carefully managing debt service. Within the BAMA budget, personnel costs total about \$28.2 million across departments such as utilities, solid waste, stormwater, engineering, and general services. Total operating expenditures are about \$58 million, with roughly \$14 million allocated for debt service and about \$24 million transferred to the general fund and BAEDA.

Major infrastructure efforts include wastewater projects associated with the Regional Municipal Utility Authority (RMUA), which involves Broken Arrow, Tulsa, Jenks, Owasso, and Bixby. A key project is a proposed \$12 million composting initiative at the Haikey Creek

wastewater treatment facility to manage biosolids, the byproduct of wastewater treatment. The project was temporarily delayed due to proposed state legislation affecting biosolid land application. Still, since that bill did not advance, the city plans to move forward while continuing discussions with state officials about potential exemptions for composting programs.

During the discussion, officials clarified that the proposed biosolids composting process would convert treated wastewater byproducts into usable compost for landscaping rather than storing or disposing of untreated waste. Staff explained that the material has already gone through the full treatment process and has become an earthy, soil-like product that can be sold and used safely. They noted that federal regulations allow only three disposal options for biosolids: land application, landfill disposal, or incineration, and composting is considered a safer and more beneficial use. Officials also emphasized that the strong odors sometimes experienced near certain facilities, such as those near Wellston, are associated with land application rather than the composting process being proposed.

Officials explained that Broken Arrow's share of the Haikey Creek biosolids composting project is about \$12 million. In comparison, the total regional project is estimated at roughly \$53 million and includes grant funding and contributions from Tulsa. Another related project involves the construction of a lift station that feeds into the Haikey Creek plant, along with Phase 4 improvements and possible development of a flow equalization basin to manage wastewater flows better.

Additional wastewater projects include several sewer infrastructure improvements. The Covington Creek sewer project near Oneida Road and Kenosha will expand system capacity in that growing area. A Highway 51 sewer extension is being designed to reroute industrial wastewater from Blue Bell around residential neighborhoods after the company's discharge was found to be using most of the existing line's capacity. The city quickly analyzed the situation and developed a plan to redirect those flows to accommodate both the industrial facility and future development.

Other projects include relocating a force main near Adams Creek after it was discovered that part of the line was installed outside its easement, upgrades and rehabilitation of aging lift stations such as the Turnberry station near Dearborn and 41st Street, and evaluating whether the Windsor Lift Station can be removed entirely as development has expanded and gravity flow may now be possible. Together, these wastewater improvements total nearly \$19 million and are part of the city's ongoing efforts to maintain and expand critical sewer infrastructure.

During the discussion, officials explained that biosolids from the Lynn Lane wastewater treatment plant are currently disposed of in a landfill rather than composted like those from the Haikey Creek facility. Staff noted that relying on landfills can raise concerns because if more communities are forced to send biosolids there, landfill operators could raise tipping fees or create capacity and stability issues.

Council members also asked about the Oklahoma Water Resources Board loan program, which the city has used for many years to finance major water and wastewater projects. Staff explained that interest rates are typically around 2.5% to 3%, making them lower than conventional loans or revenue bonds. Another advantage is that interest payments do not begin until construction is completed because funds are drawn down gradually during the project. The program may also reduce administrative costs when multiple municipalities combine their loan applications.

Utilities Director Tim Robbins explained that the city strategically uses the Oklahoma Water Resources Board loan program to fund major water infrastructure projects under the Safe Drinking Water Act. Planned projects include upgrades at the Verdigris River Water Treatment Plant, such as modifying flow meters and adding a connection to the Grand River water system through an agreement currently being finalized.

Another major improvement involves installing additional raw water pumps at the pump station built with the water plant in 2012. The facility was designed with space for five pumps, but currently operates with three. Adding more pumps and variable frequency drives will allow the city to increase capacity and better control water flow into the treatment system.

Additional projects include replacing aging water lines in the Old Town area, installing a 12-inch water line along Lynn Lane from the Creek Turnpike to Florence to improve service to nearby developments, and restoring the floor of the two-million-gallon Tiger Hill water storage tank after the current year's operational needs are met. Altogether, the Safe Drinking Water Act projects total just over \$6.1 million and contribute to the overall utility infrastructure investment planned for the year.

Council and Staff Members took a break from 5:30 p.m. till 6:00 p.m.

Utilities Director Tim Robbins presented the utilities department's operating budget and highlighted the team responsible for managing the city's water and wastewater systems. The department, which expects to have about 100 employees in the coming fiscal year, oversees water distribution, wastewater operations, lift stations, treatment plants, and customer service functions such as the Action Center that handles service requests and communications.

The proposed utilities operating budget totals about \$27 million. The largest portions of the budget support water distribution and water treatment plant operations, where costs have risen significantly due to increases in electricity, natural gas, chemicals, and delivery expenses. The department is working to control those costs by improving purchasing strategies and upgrading equipment and processes. Wastewater operations also represent a significant expense, particularly the operation of the city's 32 lift stations. However, recent capital investments funded through loan programs have improved efficiency at the wastewater plant, including the installation of a new belt filter press that has reduced landfill trips and disposal costs by removing more water from biosolids.

Mr. Robbins also emphasized the department's balance of personnel and contracted services. While staff handles much of the system's daily operation and maintenance, contract services are used strategically for construction and specialized work to control long-term costs. Materials and supply costs include items such as water meters, replacement parts, and infrastructure materials needed to support new connections—often hundreds of new taps each year—and to respond to emergencies such as water line breaks. The department maintains contingency funds within the budget to address unexpected infrastructure failures and ensure reliable service without needing additional emergency funding from the council.

Utilities Director Tim Robbins explained that the department is improving how it tracks and plans infrastructure maintenance by using data analytics and GIS mapping to monitor water main breaks and identify patterns. Instead of simply repairing breaks as they occur, the department now records each incident and analyzes the data to determine which areas may need long-term replacement or upgrades. For larger transmission lines, the city plans to use specialized infrastructure inspections to evaluate aging systems.

The utilities capital budget proposes about \$4.1 million in equipment and infrastructure investments. Many of these purchases involve vehicles and specialized equipment used to repair water and sewer lines, such as excavation equipment, locator trucks with underground radar technology, and hydro-excavators that allow crews to dig around buried utilities safely. Additional investments support the sewer system, including upgrades and monitoring improvements for aging lift stations and communications upgrades, such as fiber connections to key facilities.

Mr. Robbins highlighted the scale of the system that the department manages. In 2024, Broken Arrow delivered about 4.5 billion gallons of drinking water and treated roughly 3.7 billion gallons of wastewater before safely releasing it into the Arkansas River. These numbers represent only Broken Arrow flows and demonstrate the critical role the department plays in maintaining public health and infrastructure.

One of the major initiatives in the upcoming budget is a new sewer preventative maintenance program. This program includes purchasing a jetter truck and specialized inspection equipment that can assess sewer lines before cleaning them, allowing crews to focus maintenance where it is actually needed. Other initiatives include improvements to the Adams Creek Northwest lift station to address sewer clogging issues caused by flushable wipes, replacement of the Bluff Landing Road water line near the water plant, and upgrades to the water treatment plant's SCADA control system, which operates the facility and requires modernization after about a decade of service. Many of these projects will be completed by the city's internal crews to reduce costs while expanding the reliability of the water and wastewater systems.

Utilities Director Tim Robbins explained that the city already operates a preventative sewer maintenance program that routinely inspects and cleans sections of the sewer system known to have recurring issues, such as older areas where tree roots commonly cause blockages. Crews regularly perform jetting to clean lines and, if they detect potential problems, they use specialized camera equipment to inspect the pipes internally. The system includes robotic camera technology that allows staff to conduct detailed condition assessments, and if a problem is confirmed, repair crews are dispatched to excavate and fix the issue.

Mr. Robbins noted that emergencies often force crews to pause preventative work to respond to urgent repairs across the city, which can reduce efficiency. The proposed addition of a dedicated maintenance crew would allow one team to focus entirely on preventative maintenance while others handle emergencies. The department also uses GIS mapping and data tracking to identify problem areas and prioritize maintenance rather than cleaning lines that do not need service.

City Manager Michael Spurgeon reviewed the city's general obligation bond funding and upcoming bond planning. He reported that approximately \$98.5 million in projects from the 2011, 2014, and 2018 bond programs are currently in the construction cycle. For FY2026, the city expects to sell about \$17 million in additional bonds, though the final amount will depend on the assessed property valuation determined in August. With that sale, roughly \$192 million of the \$210 million authorized in the 2018 bond program will have been issued, meaning the city is likely to complete the 10-year program in about eight years.

City Manager Spurgeon also provided an update on planning for the next bond initiative, tentatively estimated at around \$400 million. The exact amount cannot be finalized until assessed valuation numbers are received later in the summer, after which the finance department will calculate the allowable bond capacity. The council will begin more intensive work on the proposal over the coming months, narrowing a preliminary list of roughly \$1.2 billion in potential projects down to the final package for voters. The council has until late January to approve the ordinance and call a special election. Spurgeon noted that project prioritization and allocation among the various bond propositions will require significant work through the fall and early winter.

Finally, he introduced the annual street maintenance program update, a presentation requested by the council several years ago, where the street department outlines the road maintenance projects planned for the upcoming fiscal year.

Streets and Stormwater Director, Tim Wilson, presented the annual street maintenance program funded primarily by a quarter-cent street sales tax approved in 2017, which currently generates about \$5.4 million annually for street, drainage, and signal improvements. The program relies on Pavement Condition Index (PCI) ratings, which are calculated by a third-party consultant every five years after scanning all city streets. PCI scores range from 0 to 100, with higher scores representing better road conditions. Broken Arrow has about 542 miles of streets and 669 subdivisions, with roughly 77% asphalt and 23% concrete. The city's current overall PCI score is 64. Maintaining that score now requires about \$8.5 million annually due largely to higher material costs and improved measurement technology, while raising the score to 72 would require about \$15.8 million. Officials emphasized that early maintenance, such as crack sealing and slurry sealing, is far less expensive than full reconstruction, which can cost more than three times as much if repairs are delayed.

The FY 2026 street program includes a mix of residential repairs, arterial resurfacing, and miscellaneous improvements. Planned residential projects include concrete panel repairs in areas such as Central Park Plaza, Carriage Crossing Phase II, and Canterbury/Mendon, along with mill-and-overlay work and crack sealing in several subdivisions. Arterial projects include resurfacing sections of Houston Street, Washington Street, Evans Road, South Main Street, and County Line Road, as well as targeted overlays near the FedEx area and other heavily traveled corridors. Additional work includes intersection restriping using longer-lasting multi-polymer materials, annual sidewalk repairs, alley improvements in the Rose District, and street work tied to a Community Development Block Grant project on College Street. Together, these projects represent several million dollars in improvements aimed at preserving road conditions and extending pavement life across the city.

Council member Ford praised staff for meeting with neighborhoods before street work begins, noting that those meetings help answer resident questions and set expectations. Mayor Wimpee emphasized that while focusing on neighborhood improvements may not dramatically raise the citywide pavement condition index (PCI), it significantly improves residents' quality of life. About 83% of Broken Arrow's streets are residential, and the city expects to repair or rehabilitate roughly 26 neighborhoods over the next several years. City Manager Spurgeon also indicated that future bond proposals may include additional funding—potentially at least \$30 million over ten years—to supplement the current street sales tax and maintain or improve the city's PCI rating.

The discussion then shifted to the city's manual of fees and proposed rate adjustments. Community development fees are proposed to increase by about 3%, largely to offset growing credit card processing costs since most payments in that department are made electronically. Utility rates are also proposed to rise, including average increases of about 4.9% for water and stormwater services, an 18.9% increase for sanitary sewer rates, and a \$2.50 monthly increase for solid waste and recycling services. Golf course fees at Battle Creek are proposed to increase by about 6% to keep pace with operating costs. Officials noted that these changes are preliminary and would take effect on October 1 if approved.

At approximately 6:40 p.m. Lisa Ford and Debra Wimpee left the meeting

Tom Cook explained that the increases are based on a financial planning and cost-of-service study conducted by Black & Veatch, which evaluated operating expenses, capital improvements, and long-term infrastructure needs. Without these adjustments, the city would likely need to defer capital projects, reduce new staffing requests, or draw from reserve funds

to maintain services. Officials emphasized that Broken Arrow's water and sewer rates remain competitive with those of surrounding communities. Still, increases are needed to maintain infrastructure systems that residents rely on daily, including water supply, wastewater treatment, and waste collection. A full presentation of the rate study is expected later in the summer to allow council members and the public to review the recommendations in detail.

6. Remarks and Inquiries by Governing Body Members - NONE

7. Remarks and updates by City Manager, including Recognition of Recent Accomplishments by Employees and Elected Officials

City Manager Michael Spurgeon concluded the workshop by thanking the staff responsible for preparing the proposed \$455 million budget, specifically recognizing Cindy Arnold, Tom Cook, and Tara Kilpatrick for their detailed work compiling the document. He also acknowledged department directors and senior staff for advocating for the resources needed to provide city services, as well as council members for their time reviewing the proposal. Spurgeon emphasized that the budget is designed to be transparent and understandable for the public and noted that the proposal will be presented again in a shorter format during the public hearing scheduled for June 2.

8. Adjournment

The meeting was adjourned at approximately 6:53 p.m.

MOTION: A motion was made by Justin Green, seconded by David Pickel

Move to Adjourn

The motion carried by the following vote:

Aye: 3 -

David Pickel, Justin Green, Johnnie Parks

Mayor

City Clerk