



City of Broken Arrow

Minutes
City Council

City Hall
220 S 1st Street
Broken Arrow OK
74012

Mayor Craig Thurmond
Vice Mayor Richard Carter
Councilor Mike Lester
Councilor Johnnie Parks
Councilor Scott Eudey

Tuesday, May 17, 2016

Time 6:30 p.m.

Council Chambers

1. Call to Order

Vice Mayor Carter called the meeting to order at approximately 6:30 p.m.

2. Invocation

Pastor Manganaro delivered the invocation.

3. Roll Call

Present: 4 - Scott Eudey, Johnnie Parks, Mike Lester, Richard Carter
Absent: 1 - Craig Thurmond

4. Pledge of Allegiance to the Flag

Councilman Eudey led the Pledge of Allegiance to the Flag.

5. Consideration of Consent Agenda

Vice Mayor Carter said he'd been asked to pull item A from the Consent Agenda.

MOTION: A motion was made by Mike Lester, seconded by Scott Eudey.

Move to approve the Consent Agenda, excluding item A.

The motion carried by the following vote:

Aye: 4 - Scott Eudey, Johnnie Parks, Mike Lester, Richard Carter

- A. 16-515 Approval of Emergency City Council Meeting Minutes of April 22, 2016
- B. 16-528 Approval of City Council Meeting Minutes of May 3, 2016
- C. 16-534 Approval and authorization to remove the Traffic Calming Measures on 61st Place between 117th East Avenue and 120th East Avenue in Melinda Park subdivision pursuant to the Traffic Calming Policy
- D. 16-535 Ratification of the Mayor's signature on the Application for FY15-16 Tulsa Urban County Community Development Block Grant (CDBG) Funds
- E. 16-538 Ratification of Workers' Compensation Court Order for Mark Jackson, Street and Stormwater Department Employee
- F. 16-523 Approval and authorization to execute a Consulting Services Agreement for a tourism asset inventory and market research strategic planning project with Young Strategies, Inc.
- G. 16-549 Approval and authorization to execute a Public Highway At-Grade Crossing Improvement Agreement between Union Pacific Railroad Company and the City of Broken Arrow
- H. 16-557 Approval and authorization to execute Amendment No. 1 to Employment Contract for Professional Services with Dennis Sagely as Alternate Judge for the City of Broken Arrow's Municipal Court
- I. 16-542 Approval and authorization to execute Amendment No. 2 to an agreement for Professional Consulting Services with Walter P. Moore and Associates, Inc., for New Orleans Street Improvements, Olive Avenue to Aspen Avenue (Project No. ST1210)
- J. 16-547 Approval and authorization to pay additional cost of oversight of the Non-Participating Costs of the Midway Road and East 101st Street Project (Project No. STPY-173D(177)UR, State Job No. 28905(04)), and seek reimbursement from the other local entities
- K. 16-519 Waiver of formal competitive bidding, and approval and authorization to purchase and provide for the installation of audio visual equipment for the Broken Arrow

Police/Fire Training Center, from Ford Audio-Video Systems, LLC as bid under the Oklahoma Statewide contract, SW1021, and approval and authorization to execute a System Installation Agreement with Ford Audio-Video Systems, LLC

- L. 16-541 **Review of bids received and awarding of the most advantageous bid to Clean Uniform and approval and authorization to execute a Service Agreement for non-public safety employee uniform rental service**
- M. 16-525 **Approval of bids received and awarding of the most advantageous bid to Express Press to provide non-public safety uniform apparel purchases on a city wide basis**
- N. 16-524 **Approval of bids received, awarding of the lowest responsible bid to Ark Wrecking Company of Oklahoma, Inc., and approval and authorization to execute a construction contract for demolition of the former Assembly of God Church owned by the City of Broken Arrow and located at 305 North Main Street (Project No. 161714)**
- O. 16-520 **Final acceptance of the public improvements for Walmart Neighborhood Market #4655, located at 1300 East Albany**
- P. 16-544 **Approval and authorization to execute a Shared Parking and Mutual Access Easement Agreement with BA Holdings, LLC on City Owned Land associated with Hilton Garden Inn**
- Q. 16-539 **Acceptance of a Temporary Construction Easement for property located at the southwest corner of Albany Street and Olive Avenue for construction of Tulsa Water Line Connection Phase II (Project No. WL1611)**
- R. 16-533 **Approval of PT16-101, Conditional Final Plat, BAPS ES #15 & MS #6, 1 lot, 41.70 acres, A-1 to A-1/SP 275, located one-quarter mile north of Kenosha Street, west of 209th East Avenue**
- S. 16-558 **Approval of the Broken Arrow City Council Claims List for May 17, 2016**

6. Consideration of Items Removed from Consent Agenda

Vice Mayor Carter asked the Council to consider item A.

MOTION: A motion was made by Johnnie Parks, seconded by Scott Eudey.

Move to approve item A on the Consent Agenda

The motion carried by the following vote:

Aye: 3 - Scott Eudey, Johnnie Parks, Richard Carter
Abstain: 1 - Mike Lester

7. Public Hearings, Appeals, Presentations, Recognitions, Awards

- A. 16-556 **Presentation and discussion of the proposed Fiscal Year 2016-2017 Budget for the General Fund, Broken Arrow Municipal Authority and other Funds of the City of Broken Arrow**

City Manager Michael Spurgeon said he had passed out copies of his PowerPoint presentation on highlights of the FY-2017 Budget that he wished to share with the governing body, members of the audience, and those viewing the proceedings remotely. Mr. Spurgeon brought up a slide on the proposed Budget schedule, specifying that a Public Hearing would be held on June 6th and stating that, if everything went according to schedule, the City Council would be considering adoption of the financial plan for the coming year on June 20th. Mr. Spurgeon said that his presentation would focus on three areas, first and foremost being an overview of the General Fund and the Broken Arrow Municipal Authority (BAMA). His second area of focus would be the fiscal year's Work Plan. Thirdly, he would focus on future considerations regarding policy or operational items presenting challenges, obstacles, and opportunities.

Mr. Spurgeon said that he wished to start his presentation with his catchword: Shop Broken Arrow. He recalled that sales tax revenues in Oklahoma made up most of the General Funds of its cities, paying for day-to-day operations in such areas as public safety, parks, development services and general administration. Sales tax dollars came back to all as investors in their own community. He brought up a slide illustrating Broken Arrow's strong financial management. The City's bond ratings were very good, and it had met the Council's Emergency General Fund (Operating) Reserve Policy goal. They were compliant with the Council's requested goal of keeping 10% unencumbered reserves available for unforeseen circumstances. Also, the remaining months in Fiscal Year 2016's expenditures were well below what had been budgeted.

Mr. Spurgeon went on to state and show on the screen that the City had a total of 28 different funds in the proposed FY-2017 Budget. They were required by law to break up the funds received into various different accounts or funds, including the General Fund, three Enterprise Funds, four Capital Improvement Funds, the Debt Service Fund, two Internal Services Funds and 17 Special Revenue Funds, all of which were managed by an outstanding Finance Department that received a clean audit opinion every year. In constructing the Budget, Administration and the Finance Department had to come up with plans for all 28 of the funds.

Referring to page 15 of the Budget book, Mr. Spurgeon stated that the FY-2017 proposal called for a \$188,971,324 budget which, he believed, was structurally sound and would enable them to provide high-quality public services meeting the expectations of citizens once again, in keeping with Broken Arrow's tradition. It was a significant amount of money and requests by department directors and their staffs were challenged to make sure they were justifiable.

Mr. Spurgeon reported that proposed city-wide expenditures for FY-2017 were 8.51% higher than the FY-2016 Amended Budget. The increase accounted for the incorporation of additional revenues and expenses they would have as a result of the repurposed Vision 2025 Sales Tax agreed on by voters in November 2015. Giving a breakdown of overall expenses, Mr. Spurgeon declared that operationally the City would be spending roughly \$101 million, including both personnel and non-personnel, or operating, representing an increase of a little less than 3%. The Capital Outlay for the coming year was \$63,122,600, constituting an increase of 137.9% increase. Mr. Spurgeon explained that the big increase in Capital Outlay was connected with Obligations they had from the issuing of the 2011 and 2014 Obligation Bonds, and in his conversations with Director of Finance Tom Caldwell and Assistant Manager over Operations Ken Schwab, they also looked at the City's ability to complete projects. Obligation Bonds were approved by the voters and what was sold, plus what they anticipated they would bring before the Council in October, was incorporated into the Budget. It was anticipated that in October they would ask the Council to sell about \$18 million worth of Bonds, as part of the process of the annual sale of Obligations approved by the voters. Capital Outlay Projects were not all construction projects, but included planning, engineering, and design also.

The Debt Service was approximately \$25 million. There were a number of Obligations both in General Government and Utilities. They anticipated a 4.62% increase in Debt Service Obligations for the coming year.

With respect to the General Fund for the coming year, they were looking at a proposed \$71,465,400. This marked an increase of 6.7% over the 2016 Fiscal Year. Mr. Spurgeon reiterated that it was their main fund and source for City services, including Police, Fire, and Parks. Mr. Spurgeon displayed a pie chart showing that General Fund money came from the sales tax and other taxes, from charges for services, and from fines and forfeitures. He noted that if, in fact, they needed projections, they were under budget by a little less than \$400,000 for the General Fund, which had a little bit of capacity. He next displayed a breakdown of how the City spent General Fund money, showing that 53% went to Public Safety, 21% to Transfers, 16% to General Government, with the remaining smaller percentages divided between Parks and Recreation and Public Services.

Mr. Spurgeon went over the three main reasons for the increased Budget. First and foremost was funding needed for additional public safety personnel, from the repurposed Vision 2025, including five additional police officers. The Police Department and Fire Department would also use the funds to purchase capital items needed to continue their operations, including, mainly, new vehicles, with respect to the Police. The second reason for the increase in the Budget was salary/compensation increases that would be instituted. The third reason concerned the necessity of setting aside funds should Mr. Spurgeon need to request additional personnel, with respect to the General Fund and the Municipal Authority.

With reference to the Vision 2025 Sales Tax, Mr. Spurgeon wished to point out that in fall 2015, the voters supported repurposing for three initiatives in relation to the Police and Fire Departments, and to street maintenance. He recalled that the Council passed an ordinance that specifically identified what percentage of General Fund revenues each of the three would receive. He explained that the Sales Tax would be repurposed by the City beginning in January 2017. In July 2017, they would incorporate an entire year's worth of revenue, even though it was paid on a calendar year, for Police, Fire, and for street maintenance and traffic control devices.

Mr. Spurgeon turned to the Broken Arrow Municipal Authority (BAMA), the other major fund, with a significant amount of revenue received coming from its rates for utility customers. Based on projections, total available revenues were about \$62.7 million, with expenditures at around \$69 million. He pointed out to the Council that they had a little bit

of capacity there, financially. He went on to say that the area that had caused him the most concern since his appointment as City Manager, was the challenges the Utility Authority faced mainly in three areas. The first challenge related to cost and priorities of future Capital Projects. There were some major Capital Improvements they would have to consider over the next few years to maintain both distribution and collection, as well as sewage processing systems. The projects would be very costly and involve replacing the County Line sewer trunk line and the Lynn Lane Treatment Plant. The combined projects could cost around \$30 million. In addition, Mr. Schwab had identified some \$145 million worth of improvements to the entire system. They would be making important decisions over the next couple of years on prioritizing and funding the projects in order to meet the City's obligations under Oklahoma Department of Environmental Quality (ODEQ) regulations. Mr. Spurgeon emphasized that their number one challenge, because it would affect rates, was with regard to long term water and sewer needs of the community. They needed to maintain systems to take care of existing customers, while making sure they were able to accommodate investors also. He recalled that the City had contracted with Black & Veatch to help prepare a rate analysis model, reporting that staff would be meeting with the company to look over their draft sometime in June. In July or August, BAMA would be presented with several different models taking into consideration rates they would need adopt in order to be able to support both Operations and Debt Service. Discussions on a long term BAMA Capital Plan would be in the works over the next couple of years, as well.

The largest expense within the Budget fell under the category of Personal Services. He had received requests from all of the City Directors for additional personnel, and he viewed adding employees to better serve Broken Arrow citizens as the number one priority. As such, included in the FY-2017 Budget Proposal was 19 new positions with respect to all of the funds. Growth in the sales tax and other revenues would pay for it. One area he also wished to consider depending on growth in the sales tax, was the need to improve communications with respect in the Police Department, to ensure that calls were dispatched in a timely manner. Regarding additional personnel in the General Fund, Mr. Spurgeon said he would be asking Council's approval of 13 new positions, taking into account every single department that had made requests for additional personnel, including the Streets and Stormwater, Parks, Development Services, and Police and Fire Departments. He was pleased to announce, in particular, that he had included funds for an Emergency Management Coordinator position. Moreover, with respect to BAMA, the FY-2017 Budget included six new positions. As alluded to earlier, additional positions were requested by Mr. Schwab and his team, and Mr. Spurgeon stated that he would specify those positions and then gauge what kind of support there was for incorporating some, if not all of them, over the next five years, when meeting with the Council in the summer. The new BAMA positions in General Services pertained to building maintenance, fleet maintenance, logistics and sanitation. There would also be a discussion with the City Council on transitioning to trash being taken to the waste-energy plant, since the City's landfill contract would be ending later in the year. An additional team would be needed for that; however, there would still be savings as a result of the transition.

With reference to employee compensation, Mr. Spurgeon was proposing a 2% stipend for all non-union employees, with an \$800 minimum. A majority of City employees were in the Step Plan and there would be a 2.5% Step increase for employees not at their top step. Under State law they had to negotiate contracts with unions, such as Police and Fire, and those negotiations were ongoing.

Mr. Spurgeon stated that with regard to the Sales Tax Capital Improvement Fund, 0.5% of their 3% was allocated for equipment and vehicles for use by City employees. He pointed out that Mr. Caldwell and his team had estimated that just over \$7 million would be available for Capital Projects in the coming year. The budget for proposed projects and initiatives outlined in the Budget book starting on page 106, plus the \$900,000 Debt Service reserve, totaled nearly \$7.2 million. The sum was a little over what was available because they would roll over some projects currently under construction. However, funds were sufficient should an emergency arise, or should a project not included in the Budget need to be completed, as directed by the City Council.

Mr. Spurgeon went over the Work Plan, which underscored, firstly, the importance of communications and transparency. He was excited that Director of Communications Krista Flasch was in charge of the Annual Financial City-wide Newsletter, which would be instrumental in keeping the public well-informed on where the money came from, how it was spent, as well as what the City's priorities were for the year. A number of new communications initiatives would be introduced, alongside launching of the transparency software OpenGov, mentioned at an earlier meeting. A top priority was making sure they were efficient in spending the repurposed Vision 2025 Sales Tax revenue for public safety and street maintenance, and he was very pleased with the plans that both the Police and Fire Chiefs had come up with, as well as with Director of Streets and Stormwater Steve Arant's plan on how to spend his share of the tax dollars. There was no completed, overall

plan for the funds as yet, but by the time collection of the Sales Tax started in 2017, they would have solid plans in place.

Mr. Spurgeon stated that economic development had to be a top priority always, for any organization. The bottom line was that economic development was about the recruitment and retention of jobs within the community. Broken Arrow had to be very competitive with regard to retail and commercial considerations. They had to work hard to convince business people that they could make a return on their investment. Retail investments brought returns to the City in the form of a service, and that was why their model of the public/private entity was effective. The City did a great job in trying to recruit businesses and efforts to retain businesses were paying off as well. An initiative that was starting to come into focus was the creation of an innovation district: a center for high tech businesses, in place of old manufacturing-industrial park. Such businesses benefitted the community by generating higher paying jobs that improved the City's quality of life. Another top priority with regard to economic development was finalizing the improvements to the Rose District. The new Conference Center would come online in fall 2017, however there were a number of improvements in connection with public safety that needed to be addressed in the next year. With regard to the tourism asset, an agreement to help build a strategic marketing plan to attract people to the community was on the agenda that evening. With respect to the Capital Improvement Program, their goal was simple: Get more projects to construction and get them finished. Mr. Schwab was doing a good job of that. In conclusion, they were looking at spending about \$60 million over the coming year.

The final slide in Mr. Spurgeon's presentation referenced future operational budget considerations. First and foremost for him was challenging the directors and their staff to continually review operational expenses, making sure they were being prudent and efficient, at the same time. Secondly, he was excited that in the fall they would begin to hold discussions, and later approach the Council, on the next round of General Bond Obligations. Another important issue to which he would give his attention was lobbying for an updated taxation model to support municipal operations. He was prepared to work hard on it although he realized it would be an uphill battle. The model in use in Oklahoma had not kept up with the way people currently shopped and was out of step with the transition that had taken place in the buying of goods and services. He wished to find ways to work with the legislature over time, to see if they could, in some way, revise the model to provide more stable sources of revenue. The sales tax was the most elastic, difficult to predict, and regressive model there was, and he wished to pursue possible opportunities to build coalitions at the state and federal level to bring that to the forefront of the public agenda.

With regard to implementation of the city-wide sustainability program, Mr. Spurgeon reported that his office had received roughly 100 calls in conjunction the survey being taken, expressing widely diverging opinions on the handling of solid waste. He looked forward to presenting the survey results sometime in July, and discussing them with the Council. He affirmed to all who had called him making a transition from what they were currently doing would require a major capital investment. He added that there had been no discussions among Council members about making such a change and that if, in fact, they decided to do something along those lines at some point in the future, they would have to include a citizen's committee ensuring that there would be a lot of input from the public.

Mr. Spurgeon added that that having a full-time Grant Coordinator would be of value to the City. He had not included the position in the 2017 Budget, because he had to address other needs, but there were funds out there and the position could pay for itself. He reported that they applied for a Transportation Investment Generating Economic Recovery (TIGER) grant and were applying for a Community Oriented Policing Service (COPS) Grant. Lastly, as discussed earlier in the year and slated for future discussion, was a Downtown Residential Housing Initiative, with the goal of increasing density within the downtown area to support all business, and specifically, businesses downtown.

Councilman Lester observed that fund balances seemed to be decreasing throughout the budgeting process. For example, the General Fund was \$10.1 million and dropped to \$9.7 million. He asked if that reflected a trend. Mr. Spurgeon stated no, not that he had noticed. He would have to ask Mr. Caldwell if, historically, that were the case. Councilman Lester then pointed out that regarding BAMA next year, they would start with a fund balance of \$3.7 million and at year's end the balance would be \$1.1 million. He asked whether they were doing something like upgrading lines with that extra \$2.6 million. Addressing the overall fund balance first, Mr. Caldwell stated that in fact, the General Fund balance was going up, not down. He explained that there were two different categories of fund balances. One was the reserve fund balance, which was distinguishable from the unreserved fund balance, as seen on page one. You arrived at the total fund balance by adding up the reserve and unreserved balances. Why it looked like the General Fund was going down from \$10 million, was that the \$10 million included the unreserved portion of

the fund balance. He went on to say that there was a small error at the bottom of the estimated actual balance, where an unreserved fund balance of \$525,000 was cited on the second line from the bottom. He explained that that number should have been included as part of the unreserved fund balance, not part of the reserve fund balance. The General Fund was projected to make money in the coming year and in 2018. As a general rule, you would see fund balances decreasing in the other funds, primarily because they were Capital Outlay funds, especially when you were talking about General Obligation Bonds. Mr. Caldwell went on to explain that if revenue was received in 2016 and you didn't spend it, but spent it in 2017 or 2018, say, you had no revenue source listed to offset the expenditures. Whatever was not spent in 2016 went straight into the fund balance. As you spent it the following year it would come out of the fund balance, and consequently, the fund balance would go down.

Mr. Caldwell reported that BAMA had had a significant increase in Debt Service over the past few years. He stated that from an operational standpoint, their revenues from BAMA were very good. Total revenues were \$58 million and operating expenses were \$38 million. But then you got down to Debt Service: \$8.4 million; and then the transfer, which offset the transfer up above (the sales tax), and they were projecting a loss at present. Their revenue in the current year was projected to be less than it was in 2013 or in 2014, he recalled, and they had had rate increases since then. The loss in revenue was caused, in large part, by the wet weather. He was concerned about BAMA and part of what the Black & Veatch study was designed to show was what they needed to do and what options they had. Their goal was to end the year by meeting the 10% rule and they accomplished that, as they would continue to try to do in the coming year.

Councilman Lester cited that with regard to the golf course, they were showing negatives. He observed that the negative balance was decreasing over the years. Mr. Caldwell said that the management group was doing well and they were making money each year when you took away the depreciation expense. Their goal was to get it in the black and keep it there. Councilman Lester next asked why they were still carrying the 1994 Bond Issue. Mr. Caldwell replied that it had fallen through the cracks over the years and, if he remembered correctly, three years ago the Council had declared that the purpose of the 1994 Bond Issue was met. He believed they still had a loan outstanding on it, and once it was paid off, then if the Council so wished, they could close the fund, transferring the remaining balance into the Economic Development Authority (BAEDA), as he believed the Council had approved previously. He concluded that he thought they could close that in the coming year.

Councilman Eudey inquired if the projected income to the City from sales tax took into account the challenges they were facing in the oil and gas industry. Mr. Spurgeon answered yes, they were. They did discuss what they'd seen in growth historically. Fortunately, they had seen growth every year in the last 20-some years, so they were actually projecting a 3% growth in sales tax, which, he thought, was very conservative.

Vice Mayor Carter thanked the City Manager, the Finance Department and all staff who had worked on the FY-2017 Budget, adding that he understood the process better than he had in the previous 22 years.

B. 16-522

Presentation by Tulsa City-County Library Staff regarding the Summer Reading Program, and possible action encouraging participation in the program and acceptance of the Tulsa Mayor's challenge to area communities

Kelli McDowell, Branch Manager of the South Broken Arrow Library, and Rebecca Howard, Branch Manager at the downtown location, introduced themselves. Ms. Howard said that they were there to talk on the Summer Reading Program, which was one of their biggest programs. One of the main reasons they wished to encourage participation was that it helped prevent what was known as the "summer slide," where children could lose two to three months of instructional gains over the summer recess. Reading over the summer was a way to make sure they kept up reading skills and learned new things. It was also a time in which they could be encouraged to read for fun, choosing what books they themselves, wanted to read, without exams hanging over their heads.

Ms. McDowell stated that the 2016 Summer Reading Program would have something for all ages. There was a children's program, a teen and "tween" program, and there was a program aimed at adults, as well. Very young children and even older youngsters typically loved having someone read to them. They encouraged adult participation also, since adults served as great role models for kids. No library card would be required this time, and registration was at the Library or accessible online at tulsalibrary.org/summer. The official start of the Program was May 31st and preregistration was being taken. The Program could not be completed by a participant before June 20th, while the Program would officially end August 6th. The week following the Program's end they would conduct grand prize drawings for children, as well as for teens and "tweens" who completed specific requirements within each age group, mainly regarding the number of books they were required to read. Both branch libraries would be hosting performers throughout the summer, as well.

Ms. McDowell reported that they would be having a friendly competition during the summer also. Tulsa Mayor Dewey Bartlett laid down the gauntlet, wishing to see which community could get the most kids enrolled in the Summer Reading Program. They hoped that the Council would lend their support to get as many children and young people as possible enrolled in the Summer Reading Program. The winning community would receive a plaque and “bragging rights.”

Vice Mayor Carter thanked the librarians, commenting that it was a wonderful program that really helped children in the way it was designed to, adding that Broken Arrow would love the opportunity to show up Tulsa in the challenge.

Mr. Spurgeon assured Vice Mayor Carter that he would spread the word to the community regarding the Program and competition and he thanked the ladies.

MOTION: A motion was made by Mike Lester, seconded by Scott Eudey.

Move to support the Tulsa County Libraries 2016 Summer Reading Program and accept the Tulsa Mayor’s challenge to area communities

The motion carried by the following vote:

Aye: 4 -

Scott Eudey, Johnnie Parks, Mike Lester, Richard Carter

C. 16-552

Acceptance of the Gold Award for Tucson Street Widening from Aspen Avenue to Elm Place from American Public Works Association (APWA), Oklahoma Chapter

Mr. Schwab informed the Council that recently the City of Broken Arrow, along with its professional consultant on engineering and roadway contractors Paragon Contractors LLC, submitted the Tucson Roadway Project, in which the road would be widened from two lanes to five, to the American Public Works Association for a potential honor and recognition as a construction design project. The previous week they were notified by the American Public Works Association (APWA), a group of professionals, that they had won their Gold Award. It was a tremendous honor reflecting the City’s dedication and commitment to making their community better. Mr. Schwab asked Bill Cyganovich, President of C2A Engineering, Inc. and Northeastern Branch President of the APWA Oklahoma Chapter, to come forward to present the award to Vice Mayor Carter. He invited Project Engineer Jeff Westfall of Westfall Engineers, Inc., Russell Dixon of Guy Engineering Services, and a representative of Paragon if there were one present, to come down, as well. Mr. Cyganovich presented the award on behalf of the APWA Oklahoma Chapter for the Tucson Street widening project. The Gold Award was awarded for a transportation project costing less than \$5 million and winning it also entered Broken Arrow into the race for an APWA national award.

MOTION: A motion was made by Johnnie Parks, seconded by Mike Lester.

Move to accept the Gold Award for the Tucson Street Widening Project on behalf of the City of Broken Arrow

The motion carried by the following vote:

Aye: 4 -

Scott Eudey, Johnnie Parks, Mike Lester, Richard Carter

8. Citizens’ Opportunity to Address the Council on General Topics Related to City Business or Services

No citizens signed up to speak.

9. General Council Business

A. 16-531

Consideration, discussion and possible approval of the City Council to publish the Legal Notice of Annexation for the voluntary annexation of property for a proposed Kum and Go No. 837 on 1.15 acres of land located at 9904 South 241st East Avenue, described as Lot 9, Block 2, Prairie Dale, a subdivision, in part of the E/2 of the SE/4 of Section 21, Township 18 North, Range 15 East of the Indian Base and Meridian, Wagoner County, State of Oklahoma, and to accomplish service by mailing in accordance with State Law

City Attorney Beth Anne Wilkening stated that the item was the first step in the process of annexing property with a warrant to locate a new Kum and Go store in Wagoner County. She explained that the particular tract in question, was going to be served by Rural Water District 4 because of its location. Staff had fully vetted the request and was amenable to accepting the sales tax dollars that would be generated at the location. It was, of course, of value to the store to be within the City limits with regard to fire and police protection. The item marked the beginning of the statutory process and it was requested that Council direct the City Clerk to publish the Legal Notice of Annexation in a legally-qualified newspaper within 14 days of approval, and accomplish notification by mail in accordance with State Statute. They would remain particularly vigilant in following through with publication requirements.

MOTION: A motion was made by Scott Eudey, seconded by Johnnie Parks.

Move to direct the City Clerk to publish the Legal Notice of Annexation in a legally-qualified newspaper within 14 days of approval, and accomplish notification by mail

in accordance with State Statute

The motion carried by the following vote:

Aye: 4 - Scott Eudey, Johnnie Parks, Mike Lester, Richard Carter

B. 16-561 Consideration, discussion, possible approval and authorization to execute a First Amendment to Employment Agreement with Michael L. Spurgeon, the City Manager

Ms. Wilkening interjected that in reviewing the minutes of the previous meeting with the City Clerk a few minutes ago, they noticed that a motion in the Executive Session was actually incorrectly recorded and, as such, it would be brought back to them for consideration.

Addressing the particular amendment before the Council, Ms. Wilkening said that pursuant to her discussions with the Mayor, she would like to discuss a request on the part of Council to consider the possibility of increasing the City Manager's vacation time from that of a ten-year employee to that of a 20-year-plus employee. She said that it was fairly standard in the industry and in keeping with prior City Manager contracts. Additionally, she and the Mayor discussed increasing the retirement contributions from 12% to 15%, and the amendment before them would accomplish that particular section. Also, with Mr. Spurgeon's impending nuptials, one thing the Mayor requested she present for the Council's consideration involved the provision health insurance. They had already accomplished the paperwork and once the nuptials were completed, Human Resources would move forward with that. The term life and vision insurance, contracted separately, would be in accordance with that of regular non-union employees. Health and general insurance would be made available to him at single cost rate, helping defray the cost, as an additional benefit. She wished to thank Janette McCormick, Acting Director of Human Resources, who worked through the details with her. Instead of preparing an amended agreement as usual, Ms. Wilkening stated that she just prepared a first amendment to make it easier for the City Council and City Manager, maximizing transparency with citizens, as well.

Councilman Eudey commented that he did like doing the amendments that way, citing their clarity and concurring that it was a good approach to take.

MOTION: A motion was made by Mike Lester, seconded by Johnnie Parks.

Move to approve the First Amendment to the Employment Agreement and authorize its execution

The motion carried by the following vote:

Aye: 4 - Scott Eudey, Johnnie Parks, Mike Lester, Richard Carter

C. 16-521 Consideration, discussion, and possible approval to declare certain City owned vehicles, supplies, materials and equipment as surplus and authorize the sale of those items by public auction

General Service Director Lee Zirk stated that in the course of a year, the City used a lot of equipment, supplies and materials that ended up becoming useless. He presented a slide listing items that they would like to declare surplus. The items circulated among the various City departments to make sure that none of them could be repurposed or reutilized elsewhere in the system. After the items were declared surplus, they would advertize them in the newspaper and various other media outlets, and sell them separately, through public auction, to the general public. It would be an online auction, which had proven successful in the past.

Mr. Zirk especially wished to bring to their attention some surplus items from the Church on Main Street slated for demolition. He showed slides of bricks that had been removed from the edifice, along with some smaller church pews that were still in good condition.

Mr. Spurgeon mentioned that a lot of labor went into breaking up the bricks and he acknowledged Mr. Zirk's and his team's contribution in the effort to make them suitable for sale.

Councilman Eudey expressed his appreciation of their efforts, the results of which would make some people very happy.

Mr. Spurgeon added, for clarification, that if one person wanted all three of the pews available he could understand that; however, he would not be comfortable with selling all 68 bricks to just one person, if a number of people wanted them.

MOTION: A motion was made by Johnnie Parks, seconded by Scott Eudey.

Move to declare the listed items surplus and approve their sale through an online auction

The motion carried by the following vote:

Aye: 4 - Scott Eudey, Johnnie Parks, Mike Lester, Richard Carter

10. Preview Ordinances

A. 16-517 **Consideration, discussion and possible preview of an ordinance amending Section 3.1 (Table 3.1-1), Section 3.2.C, and Section 10.3.D.4 of the City of Broken Arrow Zoning Ordinance to accommodate Micro Food and Beverage Production**

Ms. Wilkening stated that the item was the Ordinance discussed at the last City Council meeting. It was basically a really creative utilization of the Broken Arrow Zoning Code, expanding it to allow micro-food and –beverage production in certain areas. The charts that needed to be revised were included in the Ordinance, and the Ordinance served as the mechanism by which it would be accomplished. It was requested that they preview the Ordinance and set it for adoption at the next meeting.

MOTION: A motion was made by Mike Lester, seconded by Johnnie Parks.

Move to preview the Ordinance and set it for adoption at the next City Council meeting

The motion carried by the following vote:

Aye: 4 - Scott Eudey, Johnnie Parks, Mike Lester, Richard Carter

B. 16-526 **Consideration, discussion and possible preview of an ordinance amending the Broken Arrow Code, Chapter 4, Alcoholic Beverages, Article V, Low-Point Beverages, Section 4-96. - Suspensions and revocation of license, specifically allowing the City Manager to suspend or revoke a low-point beer license and allowing licensees subject to suspension or revocation to appeal the City Manager’s decision to the City Council; repealing all ordinances to the contrary; and declaring an emergency**

Ms. Wilkening recalled that when the Police Department approached them about the possibility of suspension of a particular license of a local business, it gave her and the Police Department an opportunity to assess how they were handling the process. The Preview Ordinance before them was a result of that. It was determined, from a staff perspective, that it would be a good idea to allow the City Manager or his designate to handle the initial hearings and to impose the suspension or revocation. They likened it to a Nuisance Abatement Action and the Ordinance provided an efficient method to handle such matters, since the City Manager and his designate were well qualified. In order to maximize transparency and also prevent violation of civil liberties, offenders would have the ability to appeal to the City Council in the event that they were dissatisfied. It was requested that they preview the Ordinance and set it for adoption at the next meeting.

MOTION: A motion was made by Scott Eudey, seconded by Mike Lester.

Move to preview the Ordinance and set it for adoption

The motion carried by the following vote:

Aye: 4 - Scott Eudey, Johnnie Parks, Mike Lester, Richard Carter

11. Ordinances

A. 16-527 **Consideration, discussion and possible adoption of Ordinance No. 3424, an ordinance amending the Broken Arrow Code, Chapter 23, Traffic, Article II, Operations of Vehicles Generally, Section 23-71 - Specifically adopting State Statute with regard to Composing, Sending, Reading Text Messages while Vehicle in Motion, Penalties - Exceptions; repealing all ordinances to the contrary; and declaring an emergency**

Ms. Wilkening stated the new texting Ordinance was before the Council for their consideration. The Ordinance originated from a request by the Police Department. It was another tool to, hopefully, keep individuals – particularly teenagers – safe. It was requested that Council adopt Ordinance 3424 and approve the emergency clause.

MOTION: A motion was made by Johnnie Parks, seconded by Scott Eudey.

Move to adopt Ordinance No. 3424

The motion carried by the following vote:

Aye: 4 - Scott Eudey, Johnnie Parks, Mike Lester, Richard Carter

MOTION: A motion was made by Johnnie Parks, seconded by Mike Lester.

Move to approve the emergency clause for Ordinance No. 3424

The motion carried by the following vote:

Aye: 4 - Scott Eudey, Johnnie Parks, Mike Lester, Richard Carter

12. Remarks and Inquiries by Governing Body Members

No remarks or inquiries were made.

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

Mr. Spurgeon wanted to publicly acknowledge that May 15th through 21st was National Police Week. It was an opportunity to pay their respects and honor fallen officers and their families, as well as show their appreciation of the men and women out there every day in defense of the community, along with their support teams. He wished, on behalf of the City Council and himself, to publicly acknowledge the great job that the Broken Arrow Police Department was doing in keeping Broken Arrow a safe community.

Secondly, Mr. Spurgeon wished to thank Mr. Caldwell, Mr. Cook, and their teams, and also Director of Human Resources Russell Gale, with regard to Budget he had presented. He appreciated all the time and effort that went into its preparation. There still was the Public Hearing to go through and the proposed Budget would be posted shortly to the website for review.

Mr. Spurgeon reported that he had attended his first Rooster Days Festival that past weekend. It was a great event he really enjoyed. Councilman Eudey was heavily involved in the event. Mr. Spurgeon said that he received a thank you from President and CEO of the Chamber of Commerce Wes Smithwick and his team in recognition of the City's support. Mr. Spurgeon thanked all departmental directors and staff members who participated to make it a safe, fun event.

Mr. Spurgeon stated that Mayor Thurmond was not present because he was in Washington, D.C. in connection with his role in the National League of Cities (NLC). Broken Arrow boasted several Council members who were on the National boards, with three serving on a committee or in some type of advisory, or other formal, capacity. Mr. Spurgeon informed them that Mayor Thurmond would be testifying before Congress in a hearing on the topic of how infrastructure relates to economic development. His time would be limited to five minutes, but with the help of Ms. Flasch, he was provided with a framework and a very nice video to leave with their congressional delegation. It was wonderful that an elected official from Broken Arrow was testifying before Congress and Mayor Thurmond would also be making good use of his time by requesting letters of support for a COPS Grant application that Chief Boggs and his team were going to be putting together. In addition, the Mayor would be asking for letters of support in pursuing a grant for bike lanes, as requested by Mr. Esmond at a recent Council meeting.

Fire Chief Moore was not in attendance because he was working with the Local Firefighters Union President. They had received a grant through the national Fire Chief's Association and the International Association of Fire Fighters (IAFF) for a labor management retreat.

The final item Mr. Spurgeon reported on was with reference to the evening's Consent Agenda, concerning the awarding by Council of a contract for the demolition of the property the City had acquired downtown, to Ark Wrecking Company of Oklahoma, Inc. The company's fee was roughly \$87,000, which was significantly lower than anticipated. Mr. Schwab and his team would get the Notice to Proceed sometime around Memorial Day. Mr. Spurgeon thanked the Council for their support and willingness to move forward with the purchase and demolition of the property.

14. Executive Session

There was no Executive Session. No action was required or taken.

15. Adjournment

The meeting adjourned at approximately 7:53 p.m.

MOTION: A motion was made by Mike Lester, seconded by Scott Eudey.

Move to adjourn

The motion carried by the following vote:

Aye: 4 - Scott Eudey, Johnnie Parks, Mike Lester, Richard Carter

Attest:

Vice Mayor

City Clerk