



City of Broken Arrow
Special Meeting Minutes
City Council

City Hall
220 S 1st Street
Broken Arrow OK
74012

Mayor Craig Thurmond
Vice-Mayor Scott Eudey
Councilor Mike Lester
Councilor Johnnie Parks
Councilor Debra Wimpee

Tuesday, August 1, 2017

Time 5:15 p.m.

Council Chambers

1. Call to Order

Mayor Craig Thurmond called the meeting to order at approximately 5:15 p.m.

2. Roll Call

Present: 5 - Debra Wimpee, Johnnie Parks, Mike Lester, Scott Eudey, Craig Thurmond

3. General Council Business

A. 17-2492 Presentation, Consideration, Discussion, and Possible Action on the Manual of Fees and Proposed Revisions

City Manager Michael Spurgeon thanked the Council Members for attending the special meeting. He stated the Manual of Fees had been distributed a week ago. He explained the manual documented all charges the City of Broken Arrow had in place and utilized throughout the year. He reported in the Manual of Fees items in red were administration recommended changes. He stated the Manual of Fees would be reviewed page by page and sections would be reviewed by the respective department head. He stated the Resolution to put the Manual of Fees into effect would be voted on during City Council Meeting in September. He asked if there were questions about the Manual of Fees in general or about the process. There were none.

Mr. Spurgeon introduced the Director of Development Services Michael Skates. Mr. Skates reported page 1 reviewed Infrastructure Bonds, and explained some of the language was changed to reflect how the bonds were received and processed. Mr. Spurgeon stated the Infrastructure Inspection fee had been questioned by the City Council and as a result had not been collected since 2015. He stated if the City Council did not believe the City should charge an Infrastructure Inspection fee a motion could be passed to reflect this and it would be removed from the Manual. Vice Mayor Scott Eudey asked what the Infrastructure Inspection fee was. Assistant City Manager of Operations Kenny Schwab replied this was to help recover the cost of inspecting infrastructure for water, streets, etc. He explained this was actually the standard fee to be charged for inspections on holidays or weekends or after construction had started.

Mr. Skates reported page 2 reflected a change in the room addition and remodel, and swimming pool cost structure. He explained a decimal point had been shifted over, but this was to align with the software system cost structure. He stated a couple years ago POD permit fees had been instituted and changes had been made this year to reduce the time period; the Manual reflected a new fee for POD permits. Councilor Mike Lester asked how the public was being informed about the permit and fee requirement. He asked if a notice should be distributed via the water bill. Mr. Skates responded this could be done, also if a POD was without a permit a notice could be posted on said POD. Councilor Lester stated he was not suggesting residents be fined for not obtaining a permit, but there was an incident where a resident had retained a POD for over a year. Councilor Debra Wimpee asked if notice could be sent to homeowners associations for distribution. Discussion ensued and recommendations were made to encourage realtors and the POD companies to provide notice to residents concerning the permit requirements. Mr. Spurgeon stated if the Council approved the fee his staff would send out the appropriate educational notices and a letter could be sent to residents who were unaware and had a non-permitted POD.

Mr. Skates reported the fee for recreational vehicles was similar; it was a change for zoning code alignment. He stated the Reissuance of Certificate of Occupancy fee was to recover the Certificate of Occupancy reprint cost. Councilor Wimpee asked for clarification of the Recreational Vehicle fee. Mr. Skates replied this was basically a time extension fee for residents who wished to keep a recreational vehicle parked in a driveway for an extended period of time. He stated the City might identify an RV in a driveway, at which point a time limit was set as to how long it was allowed to remain parked; however, prior to the time limit being reached the RV would be moved and then the time limit would begin again, and then the RV would be moved back and the time would start again, and so on and so forth. He stated residents were evading fees in this manner. Councilor Lester asked if there was a way to prevent this. Mr. Skates responded the City would cite repeat offenders.

Mr. Skates reported page 3 reflected the move of Irrigation Installation Permit fees from page 9 to the Trade Permits section on page 3 to avoid duplication. Mayor Thurmond asked about the Backflow Preventer fee. Mr. Skates responded it had been moved to Trade Permits as well.

Mr. Skates stated page 5 brought fees into alignment with the recent Chapter 10 Ordinance change and altered the language to reflect the Chapter 10 Ordinance as well.

Mr. Skates stated page 6 included a Generator Permit and a Grease Interceptor Permit, which were inspections performed frequently on projects. Mayor Thurmond asked if the Generator Permit fee was for a permanent generator. Mr. Skates responded in the affirmative. Vice Mayor Eudey asked if he installed a generator to ensure he did not lose electricity would the City inspect the generator to be certain it was installed correctly for fire prevention purposes. Mr. Skates responded that was correct; however, the Generator Permit was largely not a residential occurrence, but was more a commercial occurrence which required building code and fire code inspections. Mr. Skates reported the Encroachment Agreement in Easements, Vacations, and Right of Ways reflected an ordinance change, which had previously been left out erroneously. Vice Mayor Eudey asked if Right of Ways should be Rights of Way. Mr. Skates agreed it should. Mr. Skates reported page 7 was a wordage adjustment to tie the language together.

Director of General Services Lee Zirk reviewed the Cemetery Fees section. Mr. Zirk stated in 2008 there was a large increase in cemetery fees for which negative backlash was received. He explained in 2008 the fee was set at \$1,550 and in 2014 the fee was raised to \$1588.25 and in 2015 \$1589. He stated a 1.87% increase was being applied to all cemetery fees. He explained the increase was in comparison to other municipal cemeteries; Broken Arrow was a much higher quality cemetery, but not comparable to high priced private cemeteries. He stated the consumer price index of both was used to assess what costs should be. Councilor Lester asked if the Broken Arrow cemetery was losing money. Mr. Zirk responded it was. He reported in Fiscal Year (FY) 2016, after removing the 25% Cemetery Care Fund, there was a net loss of \$36,000 for the entire year. He reported FY 2017 sold twice as many grave spaces; therefore, the loss was reduced; he expected a net gain of approximately \$3,500. Councilor Lester stated the cemetery was not in business to make money, but was not in the business to lose money either. Mr. Zirk stated the cemetery income directly depended upon how many lots were sold, and in 2016 not many were sold, perhaps as the price had gone up a couple years prior. Councilor Lester asked if Mr. Zirk could determine a 10 year average of lots sold to better determine what the cemetery's income might be. Councilor Lester stated if the cemetery was losing \$36,000 it might be better to sell the cemetery. Mr. Zirk responded it would be difficult to predict how sales would proceed over the next 10 years as there were many variables involved. He stated the cemetery did just install the columbarium which he felt would help, as well as the price index fee changes. Mr. Zirk stated the Broken Arrow cemetery was priced higher than the municipal cemeteries in surrounding areas, but was priced lower than private cemeteries. He explained the services offered by a standard municipal cemetery were significantly less than what the Broken Arrow cemetery offered its residents which was something the City should be proud of. Mr. Zirk stated the addition of Memorial Benches would also aid profits.

Mr. Skates reported page 10 reorganized the License and Registration fees and created a category called Contractor Registrations which separated the Contractor Registration fees for clarity purposes. He stated there was a change from 5 year license options to 3 year license options in order to align with new ordinances. He stated a new mobile food vendor ordinance went into effect recently, and as a result Mobile Food Vendor was removed and new Vendor categories were created (Mobile, Push Cart, Stationary, etc.).

Acting Director of Finance Tom Cook discussed Utility Charges. He reported in November 2016 the 5 year rate plan was approved and on 12/06/2016 the first step of the 5 years took effect. He stated the water rates reflected a 5.5% increase, and on page 15 the stormwater rates reflected a 9% increase to be effective year two of the rate plan, which was the upcoming year. He reported page 16 presented the sewer rates at a 7% increase. He stated Mr. Spurgeon proposed a change in the Streetlight fee in his Budget Message in order to fund more operational costs from the Streetlight fund which would free up funds in the General Fund for two additional signal technicians, which was approximately an additional \$226,000 per year from the additional fee.

Director of Parks and Recreation Scott Esmond explained City Facility Rentals included fees for Central Park Community Center, Nienhuis Park Community Center, the Rose District Pavilion, Ray Harral Nature Center, and Camino Villa Park Building. He stated the Parks and Recreation Department recommended rate increases across the board to aid in operation cost recovery. He stated the rental fees were for private use of rooms for birthday parties, reunions, etc. He explained with the rate increase Broken Arrow's fees were still lower than Tulsa County Park rental fees. He stated no complaints had been received regarding room rental rates, and with the rate increase it was still a bargain. He mentioned the rates could continue to rise over the next few years if desired by the Council in an attempt to recover operational costs as the fees were currently very low. He reported following the guidance of the Park Masterplan residents requested residential users to pay for services to help with operational costs, but for nonresidents to pay higher fees as nonresidents had not helped build the facilities. He stated Special Event Fees was a new category and was growing rapidly. He explained many administrative controls and procedures had been added for the Special Events Committee. He stated all the fees were cost recovery for services provided. He explained tent rental was moved from the Inspection category to the Special Events category to ensure residents who rented a tent for a special event

clearly understood a tent inspection would also need to take place. Councilor Wimpee asked if the size requirement was over 20' x 20'. Mr. Esmond responded it was.

Mr. Esmond stated the City Swimming Pool Fees increase was another cost recovery increase. He stated the swimming pools in Broken Arrow came close to breaking even operationally which he felt was excellent when compared to surrounding communities, and was a result of the quality and attractiveness of the Broken Arrow swimming pools. He stated the last time the City Swimming Pool Fee had been raised was in 2012. He explained the Pool Punch Card for residents was an effort to provide a discount to residents who intended to use the pools more frequently. He stated the Park Shelter Rental was currently an all-day rental, but would change to twice a day, a morning or evening rental, which would aid cost recovery for the clean-up crews. He explained the shelters were open to the public and did not require reservations for use; however, residents desired the ability to reserve the shelters for birthday parties, etc. He stated there was great demand for shelter reservations and the facilities were often booked far in advance. He explained the Management Company and the City did not recommend any rate increases for the Battle Creek Golf Course, and he reported an \$18,000 profit margin for the Golf Course. He stated the City continued to offer a fee waiver program which was evaluated by staff and submitted to the City Manager's Office for final decision.

Mr. Esmond reported in FY 2017 the Parks and Recreation Department collected approximately \$456,000 in fees. He stated the new fees would bring in an estimated \$114,000, for a total of \$570,000 for FY 2018. He stated currently the Parks and Recreation Department supported its Operating Budget by 11% of the fees collected, but following the rise in fees, support would rise to 12.5%, and his goal was to eventually bring this up to 20%. He asked if there were questions. Councilor Parks commented that the City of Broken Arrow desired to keep fees affordable and while the City was not in the business to make a profit it was important to cover operational costs to prevent a monetary loss. Mayor Thurmond stated he felt that Parks and Recreation had managed to accomplish this goal, especially when considering Battle Creek was losing \$300,000 annually, but now produced a small profit.

Fire Chief Jeremy Moore stated following last year's questions the Fire Department reached out to its billing consultants and requested the consultants review best practices in the surrounding areas and determine an average cost for each drug used by the Fire Department; in absence of an average, actual medication cost was used. He stated all the changes seen in the Fire Department Fees were based on the recommendations given by the Fire Department's billing consultants. Mayor Thurmond asked if the Fire Department used "Narconon" for drug overdose. Chief Moore responded it was used for overdose or cardiac arrest of an unknown origin, was listed as naloxone, and reflected an increase from \$16.50 to \$18.47.

Councilor Parks asked how the Life Ride Membership worked. Mr. Cook replied if the Emergency Medical Services (EMS) total cost was \$2000 and the insurance company only paid \$1000, the City would write off the difference for Life Ride Memberships. Councilor Parks asked if residents were required to contact the City regarding EMS charges if said residents had a Life Ride Membership. Mr. Cook replied residents should contact the Life Ride Department to be certain the charges were paid. Councilor Lester asked if a citizen claimed to be a Life Ride Member, but this was not clear in the system, would the Life Ride Department contact the citizen to verify. Mr. Cook responded citizens were determined to be Life Ride Members through the billing department; no patient declaration was needed. Vice Mayor Eudey asked if the Life Ride Department had success collecting fees from non-Life Ride Members. Mr. Cook stated historically ambulance collections were an issue, but within the last 6 months Finance had employed a collection agency specifically for ambulance fee collection which was beginning to be effective.

Mayor Thurmond asked if there were more questions. There were none.

4. Adjournment

The meeting adjourned at approximately 5:55 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: 5 - Debra Wimpee, Johnnie Parks, Mike Lester, Scott Eudey, Craig Thurmond

Attest:

Mayor

City Clerk