



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, January 17, 2017

Time 6:30 p.m.

Council Chambers

1. Call to Order

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

Vice-Mayor explained Mayor Craig Thurmond was attending the Mayor's Conference and National League of Cities events in Washington, D.C.

2. Invocation

Pastor Scott Moore 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 asked if there were any items to be removed from the Consent Agenda. City Manager Michael Spurgeon stated that he wished to withhold item F, pending a briefing on the item's purpose by Fire Chief Jeremy Moore.

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

Move to approve the Consent Agenda excluding item F

The motion carried by the following vote:

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

- | | | |
|-----------|----------------|--|
| A. | 16-1388 | Approval of City Council Meeting Minutes of December 20, 2016 |
| B. | 17-1722 | Approval of City Council Meeting Minutes of January 3, 2017 |
| C. | 17-1719 | Approval and authorization to execute Budget Amendment Number 2 for Fiscal Year 2016-2017 |
| D. | 17-1636 | Approval and authorization to execute Resolution No. 971 requesting programming of Federal Fiscal Year (FFY) 2020 Surface Transportation Program (STP) funds |
| E. | 17-1644 | Approval and authorization to execute Amendment No. 1 to a 2016 Promotional License between the City of Broken Arrow and Ice Challenge Enterprises, LLC for the installation and operation of an outdoor holiday ice rink at The Rose District Pavilion |
| F. | 17-1641 | Approval and authorization to execute a Memorandum of Understanding between the City of Broken Arrow and Tulsa Community College for internship and training opportunities with the Broken Arrow Fire Department |
| G. | 17-1635 | Notification of City Manager's and Assistant City Manager's execution of Professional Consultant Agreements in accordance with City Ordinance |
| H. | 17-1631 | Approval and authorization to execute Amendment No. 3 to Professional Consultant Agreement with Cowan Group Engineers, LLC (CGE) for design of Cedar Street improvements from Elgin Street to Freeport Street (Project No. ST1510) |
| I. | 17-1630 | Approval and authorization to execute Amendment No. 3 to Professional Consultant Agreement with Garver, LLC for engineering of 9th Street Widening, El Paso Street to Elgin Street (Project No. ST1210) |
| J. | 17-1637 | Approval and authorization to execute a Professional Consultant Agreement with Planning Design Group, Inc., for design of Leisure Park Improvements, New Splash pad and Playground (Project No. 176044) |
| K. | 17-1632 | Approval and authorization to execute a Professional Consultant Agreement with Poe and Associates, Inc., for design of Aspen Avenue and Washington Street Intersection |

Improvements (Project No. ST1705)

- L. 17-1633 Approval and authorization to execute Amendment No. 3 to Agreement for Professional Consulting Services between City of Broken Arrow and R.L. Shears Company, P.C., for Downtown Main Street Streetscapes Phase IV (Project No. ST161709)
- M. 17-1629 Approval and authorization to execute three (3) Contracts for Public Improvements and one (1) Contract for Provision of Public Services for Community Development Block Grant (CDBG) Program with Tulsa County
- N. 17-1634 Approval and authorization to execute Supplemental Engineering Contract No. 2 - Financing Agreement by and between the City of Broken Arrow and the Oklahoma Department of Transportation for engineering services involving 23rd Street Improvements (Kenosha Street to Houston Street), STP-172A(457)IG, J/P 26308(05)
- O. 17-1617 Approval and authorization to execute Amendment No. 1 to the Professional Services Contract with Young Strategies, Inc. for the Tourism Asset Inventory Project
- P. 17-1721 Approval and authorization to purchase one (1) one-ton pickup truck from Bob Howard Dodge, pursuant to the Oklahoma statewide vehicle contract, for the Street Department
- Q. 17-1720 Approval and authorization to purchase one (1) half-ton pickup truck from Bob Moore Ford, pursuant to the Oklahoma statewide vehicle contract, for the Streets and Stormwater Department
- R. 17-1638 Approval and authorization of Final Acceptance for the public improvements at The Crossing at Lynn Lane located at Washington Street and 9th Street
- S. 16-1527 Approval of the Broken Arrow City Council Claims List for January 17, 2017

6. Consideration of Items Removed from Consent Agenda

Mr. Spurgeon stated that some months back Chief Moore had come forward, informing him of a partnership with a local institution that he wanted to pursue. Mr. Spurgeon encouraged him to explore the opportunity. Chief Moore was there to ask Council's consideration of an agreement which Mr. Spurgeon felt could prove a great boon for Broken Arrow and potentially, the entire Tulsa metro area.

Chief Moore explained that the program in question was a joint one between Tulsa Community College and the City of Broken Arrow. The partnership did not entail money changing hands, but merely instruction time. Under the agreement they would accept Tulsa Community College students into Broken Arrow's Fire Academy program. Chief Moore elaborated that it was a 20-week program for which the students would receive college credit, with the College providing liability insurance to them. They would receive all the training a professional firefighter received, along with all the certificates upon completion of the course. Broken Arrow would be under no obligation to hire them, but it would provide a wonderful opportunity for the Fire Department to observe and evaluate the students over the 20 weeks and consider them for hire. The College, in turn, would allow Broken Arrow city employees to enroll in college classes of the Fire and Emergency Services Program at no cost. Moreover, if they chose to hire a Tulsa student for future employment, the Fire Department would save roughly \$14,000 in wages and benefits typically paid to an employee receiving training.

With regard to the effect on surrounding municipalities in the Tulsa metropolitan area, Chief Moore explained the City benefitted greatly from training other cities provided to firefighters. For example, in the previous Academy class he hired six Coweta firefighters, two Jenks firefighters, and several others from outside Broken Arrow. Local municipalities would also be afforded the opportunity to hire from the pool of students completing the Fire Academy Program, the next of which was to begin on February 7th. In answer to a question by Councilman Parks, Chief Moore stated that they were planning to hire 19 employees, hoping to place 3 to 5 students among them. Although they would be hiring fewer firefighters in subsequent years, there was still the potential for substantial savings in wages and benefits, on an annual basis, by way of the College program. They would be launching the pilot program shortly, hoping it would prove a success, so that it could be adopted around the metro area. Chief Moore added that his training staff was very excited about the program's potential. Councilman Eudey voiced his support, commenting that it presented a win-win situation, allowing the City to save money while educating its people. Mr. Spurgeon observed that the quality of their own training staff was extraordinary, and he saw it as an opportunity for Broken Arrow to impart knowledge and experience to individuals looking to go into the firefighting profession.

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

Move to approve the Memorandum of Understanding and authorize its execution

The motion carried by the following vote:

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

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

A. 17-1607

Presentation, discussion, and review of the Tourism Asset Inventory Project Final Report by Young Strategies, Inc.

Lori Hill, Tourism Director of the Convention and Visitors Bureau (CVB), recalled that in May 2016, the City Council approved a service contract with Young Strategies to provide a tourism asset inventory of the CVB. She introduced Berkeley Young, President of Young Strategies, Inc., who was there to present his company's final report.

Mr. Young reported that he, along with Steve Powell, Chief Operating Office of Destination Services, who was on hand as well, led a team that performed a complete analysis of Broken Arrow as a destination. Mr. Young was pleased to announce that the study contained good news. In terms of business too, there was a big opportunity to make more money for the City and to provide more jobs. They took a hard look at the City's lodging market and tourism assets, doing a complete inventory not just for Broken Arrow, but also expanding the scope of their study to the entire metro region of Tulsa. They conducted a survey of visitors who had been to Broken Arrow, interviewed and surveyed residents and community leaders, and drafted a final report. With the Council's input, they were in the process of developing a strategic plan for the City. Mr. Young displayed the table of contents of Young Strategies' comprehensive 120-page report featuring many tables, charts, cross tabs and analyses. It contained also, a large spreadsheet of the full asset inventory for the region. Mr. Young recalled that he gave the preliminary report to them in September, which found that Broken Arrow was facing a significant challenge with respect to the lodging market. He displayed a chart highlighting the supply vs. demand 6-year trend, pointing out that there would be significant growth in room inventory with the opening of three hotels within the next 18 months, which would result in a 48% increase from the current inventory of rooms, while occupancy was on the decline. They were also adding a Conference Center that needed to be sold and filled with visitors. Clearly, they would have to market what was being built, inviting people to come. Something had to be done to drive increased demand for rooms and they had to sell Broken Arrow as a desired destination.

Fortunately, visitors surveyed gave Broken Arrow some of the highest ratings his company had ever seen; obviously, the investments made by the Council and business leaders had paid off. Broken Arrow was a great place which, they learned, was highly rated, and so, there was every reason to believe that more people could be invited to come. Both visitors and residents concurred that Broken Arrow was fun, friendly, clean, and beautiful. Both groups saw it as a growing, dynamic, wonderful place, not only to raise a family and to work, but to visit, as well. Mr. Young displayed a chart with reference to spending categories of visitors. Visitors were asked how much they spent, with an average overnight visitor spending \$851 for a two- to three-night stay. A review of taxes generated on such a stay showed \$11 generated from the 4% hotel lodging tax, which constituted the promotion fund or fertilizer, so to speak, to grow more travelers paying more sales taxes. Local sales tax going into the General Fund amounted to \$33.34, a small sum going to the County, while state sales tax totaled \$38. The lodging tax alone, therefore, was a little over 12% on a stay, meaning that the visitor was paying about \$34 lodging tax on a three-night stay. The addition of local and state sales taxes yielded an average of \$82.87 total taxes paid per travel party, proving that visitors were making a significant contribution to the tax base. Mr. Young reiterated that the 4% lodging tax was their promotion fund, which needed to be allocated to help fill new rooms coming on line shortly. If they filled all the additional hotel rooms, then the 4% fund would grow dramatically and sales taxes going into the City's General Fund would grow dramatically.

Mr. Young pulled up a chart delineating the current inventory, in accordance with the 2015 spending category from overnight visitors in paid accommodations. He stated that the daily lodging room inventory was currently 782, with an annual inventory of 285,430 rooms to sell. In 2015 the occupancy percentage was 60%, generating 172,400 room nights sold, with an average daily spend on hotels, shopping, dining, etc., of approximately \$300. The total generated in taxable spending was over \$52 million. Clearly, he concluded, it was a sizable market of spending and if more was generated, it would be that much more tax revenue. It was calculated that driving occupancy up by 1% would add 2,854 rooms and \$867,473 taxable dollars, resulting in a lot of spending, a lot of revenue, and more jobs, as well.

A geographical chart was displayed showing, according to surveys, that it was the two- to five-hour drive market that was driving current visitation. As of the 2010 Census, nearly 4.5 million people lived within the five states contiguous states, with over half that population within a five-hour drive radius. Mr. Young indicated that if they attracted 1% of 1% within that area, it would mean 4,000 visitors increasing the number of room nights in Broken Arrow hotels. Clearly, there was plenty of ground they could plough in that immediate market.

Young Strategies' recommendations, in light of the City's being a destination poised for growth, was to continue implementation of the master plan for development of the Rose District, etc. The City's hotel supply was quickly reaching overbuilt status, and so the CVB would have to focus on the slow periods of winter, spring, fall Sundays and Monday nights, bearing in mind also, that an overnight visitor spent three times what a day tripper spent. The issue of leakage was a factor they must consider, as well, there being a whole

inventory west, within a mile of the City limits, i.e. lot of people coming to Broken Arrow for ball tournaments were staying in Tulsa. They would have to find a way to attract them to Broken Arrow's hotels. The plan was to target the four contiguous states, along with Oklahoma. The specific target markets would be adult couples and families, meetings/small conferences, team sports, with an emphasis on conversion of day trippers to overnight visitors, as well. The focus would be active outdoors, sports and shopping in connection with Broken Arrow. Enjoying an unusually high degree of favorable ratings among visitors and residents alike, they would be able to build promotion based on that, making sure they were aggressively marketing the destination and putting out the money to drive a return on investment. Direct sales were critical, especially with the imminent opening of the new Conference Center, and group sales in connection with sports facilities and meetings were key. Long term, they needed to formulate a vision for additional attractions that would spur future visitation. Lastly, they needed to focus on gateways and way finding by implementing a plan for gateways, signs, and direction of traffic patterns from the highway to the downtown Rose District and the City's other attractions. Young Strategies recommended therefore, restructuring of the CVB to focus on sales and marketing with the goal of driving increased room demand. They recommended the creation of a nine-person board from the travel industry which understood a sales and marketing organization staffed by three persons, composed of a director focusing on marketing, a group sales staff person, and clerical support. They would consider the 365-night-a-year demand cycle, with special emphasis on need- periods when occupancy was low. Marketing itself, would entail building a brand around the name, "Broken Arrow," using website/digital, social media and traditional strategies, in partnership with regional and state direct marketing operations. Along with bringing in more visitors, the CVB should focus on a second strategy, making sure the City got the maximum spend once the visitors were there. To that end, the CVB would support the City in development of gateways that created a sense of place, and would direct arriving guests to information and core gathering spots. The CVB would also support the City's signage system, helping visitors move about efficiently to find everything that would encourage increased spending.

B. 17-1734

Presentation and discussion of statutory requirements for contracting with the City of Broken Arrow

City Attorney Beth Anne Childs stated that the Legal Department was asked to review certain sections of state law and the Broken Arrow Code of Ordinances on a regular basis. She saw the current meeting as an opportunity to remind the Council and staff of the statutory provisions pertaining to contracting with the City of Broken Arrow. Ms. Childs explained that the genesis was found in state law, reading from Title 11, Section 8-113 of the Oklahoma Statutes, which covered the ability of officers, employees and their spouses to contract with the municipality. She pointed out that a few exceptions to the prohibitions in the title didn't apply when competitive bids were obtained, consistent with municipal ordinances. They also didn't apply to members serving as officers, directors, or employees of a financial institution, as had come up in the past, and when the parties involved weren't proprietary owners, it didn't present a problem. She recalled sending out an update to the Council and employees, following a ruling on a case, reminding them of the importance of being thoughtful regarding their relationships in that regard. They routinely educated City employees on the importance of not contracting with the City, and when they were on boarded, they had to fill out a conflict-of-interest form, which periodically, Human Resources sent out to ensure that no employees, or their spouses, were engaging in business. Statutory provisions were routinely reinforced by organizations like the Oklahoma Municipal League and staff counsel, however, whenever such instances arose she tried to use it as an opportunity to examine their operations. One thing they did discuss from the staff level was refining the Convention and Visitors Bureau process, which they felt it was timely, coinciding with presentation of the final study by Young Strategies. Specifically, they wished to structure agreements to be set provisions that the individual employees agreed to. Ms. Child appreciated the opportunity to research this further, stating that anytime there is an educational opportunity for council members or the employees it is taken very seriously, by herself as well as the city clerk.

C. 17-1725

Presentation regarding road closures for the Downtown area in association with Public Improvements Projects

Tim Robins, Construction Division Manager, passed along handouts to the Council and City staff, announcing that the following morning at 7 a.m., there would be a road closure marking the beginning of Main Street Project Streetscapes Phase 4. Mr. Robins provided an aerial view of the shutdown from Dallas Street down to Fort Worth Street, comprising two city blocks on Main Street. There were five road crossings from curb to curb and the work pertained to sidewalk and crosswalk improvements, irrigation, electric and general site improvements, as well. Specifically, around El Paso Street, they deemed it prudent to close both blocks so that they didn't have to worry about egress from business and traffic throughout the area. The closure would also facilitate completion of the work in a timely manner. They were looking at a seven-day shutdown, anticipating that the roads would be opened by the following Wednesday, by end of day. Northbound traffic would be diverted from Fort Worth Street to First Street, going all the way up to Dallas Street and back to Main Street. Southbound traffic would be diverted from Dallas Street to Ash Street, on

down to Houston Street. Citizens would be able to cross the roadway where McGraw Realty was located, however, the City would not be allowing traffic down that road, but would be sending it down to Houston Street. Traffic would be able to follow the detour route which they had made use of before, during previous road closures. Mr. Robins reported that they had made sure to contact businesses on Main Street. In addition, they would be placing cones on the roadway to allow a turnaround at the shops on Main Street. Shop owners were satisfied with the approach the City was taking.

The other detour would be in conjunction with the Dallas Street Improvements Project, which would involve reconstruction at Cedar Avenue on Dallas Street. The closure would be between Date and Cedar Avenues, and from Cedar Avenue back to Birch Avenue. They would be closing the road between El Paso Street and Cedar Avenue, and then back from Dallas Street to Commercial Street, also. Traffic would be diverted from Elm Street back to Broadway, across Broadway on Ash Street, and back down to Dallas Street (and vice versa for east-west traffic). Construction site would be at the railroad right of way where they would be redoing the pavement, curb and gutters, waterlines, storm sewer and installing a sidewalk advance warning system, as well. The closure had been shifted to Monday morning the following week and would be in place for 60 days, although they were hoping the work could be completed in a much shorter timeline, weather permitting.

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. 17-1645

Consideration, discussion, and possible approval and authorization to execute the Fiscal Year 2016-2017 Labor Agreement with the International Association of Firefighters Local #2551

Director of Human Resources Jannette McCormick stated that she was excited to present the item to the Council. The teams began negotiations with the International Association of Firefighters Local #2551 in April 2016. She informed the Council that on December 21, 2016, they reached a tentative agreement, and on January 13th, the Local ratified the proposed agreement which was before the Council. As outlined in the fact sheet, the proposed agreement provided for changes including: administrative revisions to the mileage allowance in vacations and holidays articles; revisions to administrative operating procedures encompassing incorporation of all existing Memoranda of Understanding; elimination of the cap for the Firefighter Specialist additional pay incentive, with employees at or above grade three for four being eligible for the Instructor 2 additional pay incentive. In addition, safety sunglasses were added as an item the City would replace, a 2.5% wage increase for all bargaining unit members effective July 1, 2016, would be instituted retroactively, and finally, an additional 3.5% step would be added to the salary schedule, effective January 1st, to be applied retroactively. As such, staff recommended that the Council and Mayor approve the Labor Agreement and authorize its execution.

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

Move to approve the Labor Agreement with the International Association of Firefighters Local #2551 for Fiscal Year 2016-2017 and authorize its execution

The motion carried by the following vote:

Aye: 4 -

Scott Eudey, Johnnie Parks, Mike Lester, Richard Carter

B. 17-1730

Consideration, discussion, and possible approval and authorization to execute Resolution No. 970, a Resolution of Necessity to condemn property located in the E/2 of the SW/4 of Section 34, T-19-N, R-14-E of the Indian Meridian, Tulsa County, State of Oklahoma

Director of Engineering/Construction Alex Mills stated that before the Council was a Resolution of Necessity to condemn a property in the vicinity of Albany and Elm Streets, near the Stone Ridge Town Center Development. As part of the 2014 General Obligation Bonds, funds were approved for drainage improvements that would divert some of the water currently flowing south under Highway 51, taking it west and slightly north into two of the ponds located at the Battle Creek Golf Course. They had made a request to the developer to donate space for an easement, which he declined. They subsequently made a very reasonable purchase offer, which the developer declined also. It was requested that Council authorize the Resolution to condemn the property in light of necessary drainage improvements to be undertaken.

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

Move to approve Resolution No. 970 and authorize its execution

The motion carried by the following vote:

Aye: 4 -

Scott Eudey, Mike Lester, Johnnie Parks, Richard Carter

10. Preview Ordinances

No preview ordinances were considered. No action was required or taken.

11. Ordinances

There were no ordinances under consideration. No action was required or taken.

12. Remarks and Inquiries by Governing Body Members

Councilman Eudey recognized the work done by Human Resources and firefighters in reaching an agreement and commended their work in that regard. Councilman Lester added that he appreciated the time and effort put in with respect to tourism in Broken Arrow.

13. Remarks by City Manager

Mr. Michael Spurgeon stated that he had nothing to report in regular session.

At approximately 7:08 p.m., Vice-Mayor Carter asked for a motion to recess in order to enter into the Broken Arrow Municipal Authority and Broken Arrow Economic Development Authority meetings.

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

Move to recess in order to enter into the Broken Arrow Municipal Authority meeting and the Broken Arrow Economic Development Authority meeting

The motion carried by the following vote:

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

At approximately 7:17 p.m., Vice-Mayor Carter reconvened the meeting and asked for a brief recess before entering into the Executive Session.

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

Move to recess before entering into the Executive Session

The motion carried by the following vote:

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

The Council returned to the room at approximately 7:22 p.m.

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

Move to enter into the Executive Session

The motion carried by the following vote:

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

14. Executive Session

Executive Session for the purpose of confidential communications between the Broken Arrow City Council, the City Manager and the City Attorney, and possible action in open session on matters pertaining to an economic development proposal for an area located east of Lynn Lane (9th Street) between Houston Street (81st Street) and Washington Street (91st Street) to include the possible transfer of property and the creation of a proposal to entice businesses to locate within the City of Broken Arrow, taking appropriate action in open session, including direction for the City Manager and Staff to enter into formal negotiations for an economic development proposal under 25 O.S. §307(C)(10); and

In the opinion of the City Attorney, the Council is advised that the Executive Session is necessary to protect the confidentiality of the businesses.

At approximately 7:46 p.m., Vice-Mayor Carter reconvened the regular session of the City Council meeting and the room was opened to the public.

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

Move to direct staff to move forward with formal negotiations for an economic development project in an area east of Lynn Lane between Houston and Washington Streets

The motion carried by the following vote:

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

15. Adjournment

The meeting adjourned at approximately 7:47 p.m.

MOTION: A motion was made by Johnnie Parks, 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:

Mayor

City Clerk