



City of Broken Arrow
Minutes
Broken Arrow Municipal Authority

City Hall
220 S 1st Street
Broken Arrow OK
74012

Chairperson Craig Thurmond
Vice Chair Scott Eudey
Trustee Johnnie Parks
Trustee Debra Wimpee
Trustee Christi Gillespie

Tuesday, November 5, 2019

Council Chambers

1. Call to Order

Chairperson Craig Thurmond called the meeting to order at approximately 7:40 p.m.

2. Roll Call

Present: 5 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

3. Consideration of Consent Agenda

- A. 19-1366** Approval of the Broken Arrow Municipal Authority Special Work Session Minutes of October 10, 2019
- B. 19-45** Approval of the Broken Arrow Municipal Authority Meeting Minutes of October 15, 2019
- C. 19-1341** Approval of and authorization to execute a Professional Consultant Agreement with Cowan Group Engineering, LLC for design of Elm Creek Trunk Line Improvements
- D. 19-1314** Approval of and authorization to execute a Professional Consultant Agreement with HDR Engineering, Inc. for Raw Water Pump Station Air Conditioning System Replacement and Sodium Hypochlorite Supply Water Chillers (Project Numbers 195410 & 195409)
- E. 19-1340** Approval of and authorization to execute Change Order #2 with Belt Construction, Inc. for construction contract S.1609; County Line Trunk Sewer - Phase 1
- F. 19-1306** Approval to reject bids for the purchase of one (1) Rubber Tracked Mini Excavator and to find that the best interest of the City of Broken Arrow will be served by the rejection
- G. 19-1294** Approval of and authorization to purchase two (2) 2020 Chevrolet Traverse's with options 1 through 4 from Vance Chevrolet pursuant to the Broken Arrow Municipal Authority Meeting Agenda Page 1 11/5/2019 Oklahoma Statewide Vehicle Contract for the Engineering and Construction Department
- H. 19-1376** Approval of authorizing a 15 day extension to award bids for good cause shown for the purchase of one (1) Firehouse D1 Dump Body Truck for the Stormwater Division of the Streets and Stormwater Department
- I. 19-1344** Acknowledgement of submittal of the Broken Arrow Municipal Authority's Water Supply Report for the month of September 2019
- J. 19-1345** Acknowledgement of submittal of the Broken Arrow Municipal Authority's Wastewater Discharge Monitoring Report for the month of September 2019
- K. 18-1469** Ratification of the Claims List Check Register dated 10/29/2019

Chairperson Thurmond noted Item 3E was to be removed for discussion. He asked if there were any other items to be removed from the Consent Agenda. There were none.

MOTION: A motion was made by Scott Eudey, seconded by Christi Gillespie.

Move to approve the Consent Agenda less Item 3E

The motion carried by the following vote:

Aye: 5 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

4. Consideration of Items Removed from Consent Agenda

Assistant City Manager over Operations Kenny Schwab reported Item 3E was a Change Order on the County Line Trunk Sewer project which was a \$16 million dollar project. He indicated this project extended from the Lynn Lane Wastewater Treatment Plant past Florence (111th). He stated Change Order No. 2 was \$180,000 dollars for the contractor to mobilize a second crew and begin work at the Creek Turnpike. He explained the City was about to begin re-advertising Fire Station No. 3 located at 115th Street and he did not wish for the Fire Station construction to be disrupted by the County Line Trunk Sewer project. He indicated this Change Order would enable the second crew to complete the County Line Trunk Sewer project just before Fire Station No. 3 began construction.

MOTION: A motion was made by Johnnie Parks, seconded by Debra Wimpee.

Move to approve and authorize execution of Change Order #2 with Belt Construction, Inc. for construction contract S.1609; County Line Trunk Sewer - Phase 1

The motion carried by the following vote:

Aye: 5 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

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

There were no Public Hearings, Appeals, Presentations, Recognitions or Awards

At approximately 8:22 p.m. Trustee Parks asked for a five minute recess. Chairperson Thurmond agreed.

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

Move for a five minute recess

The motion carried by the following vote:

Aye: 4 - Christi Gillespie, Johnnie Parks, Scott Eudey, Craig Thurmond

Absent: 1 - Debra Wimpee

6. General Authority Business

A. 19-1359 Consideration, discussion, and possible action regarding the recommendations from the Citizens' Recycle Committee and the recommendations from the City Manager and possible direction to staff to proceed with implementation

General Services Director Lee Zirk reported at the September 17, 2019 BAMA Meeting the Authority received and accepted the curbside Recycling Pilot Project Report from the consultant; included in this report was the recommendation from the Citizen's Recycling Committee: 1) Convert the entire City to once a week collection via rerouting; 2) Issue all customers a 96 gallon blue recycling cart with the option to opt-out of recycling service; 3) Continue collection of garbage and yard waste in bags with a 50% reduction in bags to each customer; 4) Consider beginning to replenish truck fleet with automated trucks for collecting recyclables; and, 5) Within three years of the date of implementation of the recycling program implement trash carts and eliminate the trash bag program. He stated in addition to accepting the report, the Authority directed staff to schedule a work session for further discussion; this work session was held on October 10, 2019. He noted City Manager Michael Spurgeon shared his recommendation with the Authority at the work session to adopt the Citizen Recycling Committee recommendations with amendments: A. Rather than implement trash carts within three years of implementing the recycling program, provide a

trash cart simultaneous to providing the recycling cart. Customers would be provided options regarding the size of the trash cart. B. Rather than provide a reduced amount of trash bags, eliminate providing trash bags immediately. C. Prior to implementation of the carts Staff would develop and submit to the Authority for consideration updated policies regarding yard waste disposal and services for elderly and disabled customers. D. Consider separating the Sanitation Division from the General Services Department to be established as a separate department. He asked if there were questions.

Chairperson Thurmond stated he received emails from concerned citizens regarding China not accepting recyclables. He asked how this would affect Broken Arrow recycling. Mr. Zirk stated Mr. Robert Pickens could address this question. Mr. Robert Pickens with American Waste Control reported Oklahoma did not ship recyclables to China. He explained Oklahoma was too far inland for export shipping. He stated 95% of all local recyclables stayed within the State of Oklahoma; Oklahoma had manufacturers which used recyclables processed in the State. He indicated the only affect China would have on Broken Arrow recycling might be recyclable commodity pricing. He discussed the history of China's involvement with recycling.

Trustee Parks asked how China's recycling involvement might affect the east or west coast of the United States. Mr. Pickens responded as a result of China no longer accepting recyclables, new paper mills were being built to process paper, and "fine paper" mills were being converted to cardboard processing. He noted the impact was less on the east coast as compared with the west coast. He stated most of the plastics used in homes were mostly processed domestically.

Vice Chair Eudey asked if Mr. Pickens foresaw large changes in the domestic market which would affect Broken Arrow's ability to process and sell recyclables. Mr. Pickens responded in the negative. He stated he did not foresee any domestic recycling changes which would greatly negatively affect residential curbside recycling. He indicated acceptable recycling materials would change and possibly increase.

Chairperson Thurmond asked which plastic grades were currently accepted. Mr. Pickens reported soda bottles, water bottles, milk jugs, detergent bottles, plastic cups, plastic tub containers, buckets and pails were currently accepted. He noted this accounted for almost 90% of plastics generated in homes.

Trustee Parks asked if acceptable recycling grade numbers would be included in public education materials. Mr. Pickens responded in the negative; plastic grades could confuse customers. He explained the recycling plant encouraged residents to recycle all rigid bottles and containers generated from inside the kitchen, laundry and bathroom. He noted he found this worked very well.

Trustee Gillespie asked about American Waste Control. Mr. Pickens explained American Waste Control received and separated mixed recyclables for distribution to processing plants. Trustee Parks asked which communities American Waste Control served. Mr. Pickens responded American Waste Control served the City of Glenpool, Jenks, Bixby, Bartlesville, Owasso, Stillwater, Okmulgee, as well as other smaller communities and tribes.

Vice Chair Eudey noted the Recycling Committee spent time visiting the American Waste Control facility.

Trustee Wimpee asked if the City would financially benefit from recycling. City Manager Spurgeon responded less waste would be sent to the waste transfer station which would keep

rates down. Mr. Pickens responded the City would share in the revenue from the sale of the recyclables less the processing fee. Vice Chair Eudey noted the revenue share would offset the processing fee and any additional revenue could be used to offset sanitary costs. Trustee Parks noted diverting trash from Covanta saved money. Mr. Pickens agreed. City Manager Spurgeon agreed.

Vice Chair Eudey commented he received emails from citizens concerned about how curbside recycling would affect The M.e.t. He asked Mr. Graham Brannin to address this topic. Executive Director of The M.e.t., Graham Brannin, stated The M.e.t.'s services adapted to the needs of the community. He stated he did not foresee curbside recycling negatively affecting The M.e.t. He noted no one was getting rich recycling. He indicated The M.e.t. collected commodities which were not curbside recycling types including used oil, scrap metal, etc. He noted The M.e.t. also provided services such as special recycling collections, education programs in schools, etc. He reported The M.e.t. would adapt to the needs of the citizens of Broken Arrow. Vice Chair Eudey stated educating the public regarding recycling was of utmost importance. Mr. Brannin agreed and discussed how The M.e.t. participated in educating the public about recycling.

Trustee Parks asked if 100% of all Broken Arrow trash was sent to Covanta. Mr. Zirk responded in the negative; bulky waste pickup went to the landfill. He explained when there were problems at the Covanta burn plant all waste was sent to the landfill. Trustee Parks asked how often trash was sent to the landfill. Mr. Zirk indicated Broken Arrow made every effort to send all waste to Covanta; however, this was not always possible. Trustee Parks discussed how Covanta processed waste and noted Covanta was not a recycling plant. Mr. Zirk explained while Covanta burned waste to produce electricity the materials were not being reused. Discussion ensued regarding Covanta and the Covanta burning process.

Trustee Gillespie stated her largest concern was how the recycling program would be rolled out to the public and the removal of the second day of trash pickup. She stated she wanted to ensure the City was spending its monies wisely. She recommended a more gradual introduction of recycling to the public. Chairperson Thurmond indicated twice a week pickup was not sustainable. Discussion ensued regarding twice a week pickup, retrofitting trucks to reduce necessary manpower, no surrounding municipalities utilizing twice a week pickup, the Committee immediately approving and recommending once a week pickup, 81% of residents polled in Broken Arrow indicating a desire for curbside recycling, the importance of implementing a curbside recycling program, not wishing to switch to carts without implementation of a recycling program, and the recommendations made by the Committee.

Vice Chair Eudey noted in the beginning of this process he did not look forward to cart usage; however, after being educated he realized if Broken Arrow were to be a City which was consistent with current best practice and recycling, and if Broken Arrow were to have a sustainable Sanitary Department, carts were a necessary component of the program. He stated he understood Trustee Gillespie's concerns; however, he believed the purpose of the endeavor was to implement recycling.

Trustee Parks noted the Committee's recommendation was to immediately move to recycling carts and within three years implement trash carts; however, City Manager Spurgeon recommended implementation of both recycling and trash carts immediately due to economic reasons. He noted he supported City Manager Spurgeon's recommendations. He stated Broken Arrow had to move to cart system to save the Sanitary Department; if trash bag pickup continued, private trash service companies would be needed.

Trustee Gillespie stated she was not opposed to the recycling program; she was opposed to the timeline only. She stated she believed residents did not understand adding recycling would eliminate twice a week trash pickup. She stated she felt financially it made sense to gradually implement the recycling and cart program as the City would have time to build funds and pay for implementation rather than take out loans to cover costs. She stated she was in favor of recycling and would approve of what was recommended; however, she felt her concerns and suggestions should be considered. Trustee Parks stated he understood Trustee Gillespie's concerns; however, big changes needed to be made. He discussed how Broken Arrow needed to utilize modern trash collection methods.

City Manager Spurgeon stated once City Council made a decision, Staff would develop an operational action plan. He noted the action plan would be very involved and detailed. He stated Staff had begun developing possible action steps and noted implementation of the program would not begin until after July 1, 2020. Vice Chair Eudey stated it was important to also include a plan for yard waste disposal. City Manager Spurgeon agreed.

Trustee Parks stated it was important to educate the public regarding these changes before implementation in an effort to ensure the process of implementation was smooth and the public was prepared. He stated education regarding recyclables and contamination was also important. He recommended offering a second trash cart to residents for a fee.

City Manager Spurgeon noted these issues would be included and addressed in the action plan. He noted the action plan would be presented to BAMA for consideration. He discussed methods of public education which would be put into use including in-school education, public announcements, social media, etc. Trustee Wimpee indicated Broken Arrow schools were currently teaching the importance of recycling.

City Manager Spurgeon discussed the various difficulties which would be encountered during the implementation process regarding cart usage and noted these difficulties would be overcome.

Trustee Gillespie stated she appreciated the hard work which had gone into researching and developing the recycling plan. Trustee Parks noted recycling was related to economic development and sustainability. He reported Ms. Jennifer Conway, President of the Broken Arrow Economic Development Corporation, indicated many large corporations would not consider investing in cities which did not have a recycling program; recycling was important for economic development.

City Manager Spurgeon stated he appreciated the questions and debate by City Council.

Citizen William Kok stated his address was 1008 W. Pensacola Court, Broken Arrow. He reported he took a poll on social media and the proposed recycling program was not popular. He stated residents wanted recycling, but residents did not want to lose current trash services and did not want to use carts. He stated he was not against recycling; he was against carts and once a week pickup. He asked about the difference between recycling processing costs and waste energy plant processing costs. He asked what would prevent residents from putting M.e.t. recyclables (such as batteries) in the trash carts. He asked why Broken Arrow needed to be like the rest of the State of Oklahoma. He stated he felt the government would become too involved with his life through the proposed recycling and trash cart program.

Trustee Parks stated the new recycling program and the difficulties with the current trash pickup program were unrelated. He explained Broken Arrow was at a point where the current trash pickup system was not sustainable. He indicated recycling had nothing to do

with the problems with the current trash system. He reported it was no longer affordable for the City's Sanitary Department to pick up trash bags for 35,000 homes; the City was experiencing difficulty finding workers to perform this task and workers compensation claims were rising. He stated no matter what happened with recycling, the current trash program was coming to an end. City Manager Spurgeon agreed. Trustee Parks reported carts and automation were required in order for the City to maintain and employ a sanitary department. Mr. Kok asked why the twice a week service must be discontinued. Trustee Parks explained twice a week service would no longer be necessary once carts were being used; a cart easily contained one week's worth of trash.

Mr. Kok stated he was simply expressing what the residents wanted through his social media poll. Vice Chair Eudey responded Mr. Kok's questions were leading questions and not reflective of reality; only 485 individuals out of 115,000 residents responded to Mr. Kok's poll. He stated he respected the opinions of these 485 individuals and took these opinions into consideration; however, it was important to understand the 485 individuals had not spent the past two years trying to find a way to save the current trash system, finally coming to the conclusion that unfortunately it could not be done. He addressed Mr. Kok's other points including twice a week pickup and cart use. He noted residents would no longer need twice a week pickup once carts and recycling were implemented. He stated he did not like change and he understood most residents did not like change; however, change was necessary at this juncture. He noted he enjoyed the current trash system, but it was not sustainable and change was eminent or the system would fail. He stated he respected the opinions of the 485 residents who responded to Mr. Kok's poll; however, he was obligated to represent all 115,000 Broken Arrow residents.

Trustee Wimpee stated she conducted an unscientific, informal poll of Tulsa residents asking how Tulsa residents felt about Tulsa trash service which was cart based with once a week pickup. She reported the Tulsa residents all indicated there was no need for twice a week pickup; once a household began recycling it no longer produced as much waste. She stated she knew individuals who had chosen to live in Tulsa County because Broken Arrow did not have a recycling program.

Trustee Parks noted residents would not be forced to recycle and would have the ability to obtain a second trash cart if needed.

Discussion ensued regarding the benefits of governmental involvement in day to day life including police, fire, sewer, water, etc., privatization of these services, citizens encouraged to express opinions, and applying the 80/20 rule to recycling and trash service.

Chairperson Thurmond stated Citizen Sarah Perez signed up in support of this Item, but did not wish to speak.

Citizen Dawn Sieng stated her address was 219 W. Dallas, Broken Arrow. She stated she was a member of the Citizen's Recycling Committee. She stated the Committee made an educated recommendation. She explained the Committee, through its recommendation, was attempting to balance the cost of implementing the two cart system, along with gradually implementing the change to ease the process for citizens. She noted many on the Committee, including herself, wished to push for an immediate implementation, such as City Manager Spurgeon suggested; however, she had agreed to the Committee's recommendation in order to ensure recycling moved forward. She stated in her business experience it was better to implement change all at once rather than gradually. She stated during the research process the Recycling Committee realized the current Broken Arrow trash system was not sustainable and had determined private carrier use would be the only option for continuing

the current collection methods. She discussed the difficulties faced by the Broken Arrow Sanitation Department, the part time help being employed to ensure current trash pickup, the importance of not closing the Sanitation Department and the importance of keeping the current Sanitation Department employees full time, safe and healthy. She stated Broken Arrow hired a consulting company to assist in determining how to make Broken Arrow's Sanitation Department sustainable. She noted the changes being made would ensure the Sanitation Department continued. She stated recycling was voluntary and absolutely not required; residents had an option to obtain a second trash cart. She stated green waste would still be picked up by the City. She asked City Council to approve the Committee's recommendation with the amendments recommended by City Manager Spurgeon.

MOTION: A motion was made by Johnnie Parks, seconded by Debra Wimpee.

Move to adopt the recommendations of the Citizen's Recycling Committee with the amendments proposed by the City Manager and Staff, and direct Staff to proceed with implementation

The motion carried by the following vote:

Aye: 5 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

- B. 19-1348 Consideration, discussion, and possible approval of and authorization to execute Resolution #1280, a Resolution authorizing the Broken Arrow Municipal Authority (the "Authority") to issue its Utility System and Sales Tax Revenue Note, Taxable Series 2019 (the "Note") in the aggregate principal amount of not to exceed \$5,800,000; waiving competitive bidding and authorizing the Note to be sold on a negotiated basis; approving and authorizing execution of a Supplemental Note Indenture authorizing the issuance and securing the payment of the Note; providing that the organizational document creating the authority is subject to the provisions of the Indenture; ratifying and confirming a Lease Agreement by and between the City of Broken Arrow, Oklahoma (the "City") and the Authority pertaining to the City's water, sanitary sewer, and solid waste disposal systems; ratifying and confirming a Security Agreement by and between the City and the Authority pertaining to pledge of certain sales tax revenues, and approving and authorizing execution of a Sales Tax Agreement; authorizing and directing the distribution of information in connection with the placement of the Note and authorizing the execution of the Note and other documents relating to the transaction, including professional services agreements and an escrow agreement; and containing other provisions relating thereto**

Finance Director Cindy Arnold stated the City had two Oklahoma Water Resource Board (OWRB) loans, a 2009 loan and a 2011 loan. She stated these loans had interest rates of 3.11% and 2.85% respectively. She stated the OWRB had a program in which it was refunding the bonds which backed these loans and as a result was allowing Broken Arrow to refinance these two loans. She stated included was a resolution "not to exceed a 2.6% interest rate." She noted the interest rate would be received tomorrow afternoon. She stated the payments would be very minimally increased; however, the loans would be shortened by 18 months. She stated Staff recommended approval of Resolution No. 1280.

Chairperson Thurmond asked if there would be a savings through this refinance. Ms. Arnold responded in the affirmative; savings would equal \$90,000 dollars at 2.6%; however, if the interest rate came in at 2.4% savings could be \$175,000 dollars.

Citizen William Kok asked why the Resolution called for "waiving the competitive bidding." Mr. Rick Smith with MFS explained OWRB bond issues, unlike General Obligation Bonds, were routinely done by waiving competitive bids. He indicated there was only one bank in the US which could offer the rate of 2.6% or less. He noted Broken Arrow was legally allowed to waive competitive bidding. Mr. Nate Ellis stated under State Law public trusts

had to approve debt issuance; however, a negotiated sale could waive competitive bidding. He discussed the requirements which must be fulfilled in order to waive competitive bidding. He discussed the reasons the Resolution asked to waive competitive bidding including the extended process of competitive bidding, the process of competitive bidding not being conducive to financial transactions, the short window of time available to refinance the loans, and there being only a single banking entity which could provide the rate needed to ensure the City saved money.

MOTION: A motion was made by Scott Eudey, seconded by Debra Wimpee.

Move to approve and authorize execution of Resolution No. 1280

The motion carried by the following vote:

Aye: 5 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

C. 19-1371 Consideration, discussion and possible approval to reject bids for the purchase of one (1) Dump Truck and find that the best interest of the City of Broken Arrow will be served by the rejection

City Attorney Trevor Dennis reported the City had advertised a bid for a dump truck which opened on September 11, 2019. He stated the City's purchasing manual required bids to be awarded within 30 days of bid opening. He noted it was now outside of the 30 day time period; therefore, the recommendation was to reject the bids and rebid the dump truck at a later date.

MOTION: A motion was made by Johnnie Parks, seconded by Debra Wimpee.

Move to reject the bids for the purchase of one (1) Dump Truck and find that the best interest of the City of Broken Arrow will be served by the rejection

The motion carried by the following vote:

Aye: 5 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

D. 19-1309 Consideration, discussion, and possible approval to reject bids for the Broken Arrow Expressway fence repair contract and to find that the best interest of the City of Broken Arrow will be served by the rejection

Director of Streets and Stormwater Rocky Henkel reported earlier this year a bid was opened for a contract to repair the fence along the Broken Arrow Expressway on September 11, 2019. He reported bids from two vendors were received; following the opening of bids, Staff discovered that the lowest bid from StronghandGr, LLC did not meet specifications, as Stronghand failed to submit the required insurance information. He reported the next bid, from Aaron Fence Co., exceeded the estimate substantially and was not advantageous to the citizens of Broken Arrow. He stated Staff recommended all bids be rejected at this time and a new bid be prepared and submitted for a contract to repair the fence along the Broken Arrow Expressway.

Trustee Gillespie asked if the fencing material could be changed. Mr. Henkel responded in the affirmative; the material could be changed at the expense of Broken Arrow; however, in this particular instance only a small portion of the fencing would be removed and replaced. He stated there were additional maintenance issues with other fencing types.

City Manager Spurgeon stated a meeting was held yesterday to begin discussing beautification in Broken Arrow. He stated he would come before City Council sometime in January to discuss the possibility of hiring a consultant. He noted fencing was discussed during the meeting.

Mr. Henkel noted ODOT indicated chain link fencing was installed for purposes of vermin control.

MOTION: A motion was made by Debra Wimpee, seconded by Johnnie Parks.

Move to reject the bids for the Broken Arrow Expressway fence repair contract and to find that the best interest of the City of Broken Arrow will be served by the rejection

The motion carried by the following vote:

Aye: 5 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

7. Remarks and Updates by City Manager and Staff

There were no Remarks and Updates by City Manager and Staff

8. Executive Session

There was no Executive Session.

9. Adjournment

The meeting adjourned at approximately 9:40 p.m.

MOTION: A motion was made by Johnnie Parks, seconded by Debra Wimpee.

Move to adjourn

The motion carried by the following vote:

Aye: 5 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

Chairman

Secretary