



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 Mike Lester
Trustee Johnnie Parks
Trustee Debra Wimpee

Wednesday, January 2, 2019

Council Chambers

1. Call to Order

Chairman Craig Thurmond called the meeting to order at approximately 8:00 p.m.

2. Roll Call

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

3. Consideration of Consent Agenda

Chairman Thurmond asked if there were any items to be removed from the Consent Agenda. There were none.

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

Move to approve the Consent Agenda

The motion carried by the following vote:

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

- A. 19-25 Approval of Broken Arrow Municipal Authority Meeting Minutes of December 18, 2018**
- B. 19-91 Acknowledgement of submittal of the Broken Arrow Municipal Authority's Water Supply Report for the month of November 2018**
- C. 19-92 Acknowledgement of submittal of the Broken Arrow Municipal Authority's Wastewater Discharge Monitoring Report for the month of November 2018**
- D. 19-82 Award the lowest responsible bid for the Base Bid to Cherokee Pride Construction, Inc. and approve and authorize execution of a construction contract for the Tiger Hill Water Storage Tank Restoration (Project No. 185432)**
- E. 19-90 Award the most advantageous bid to P & K Equipment for the purchase of one (1) compact rubber tracked loader for the Water Plant**
- F. 18-1408 Approval of the Broken Arrow Municipal Authority Claims List for January 02, 2019**

4. Consideration of Items Removed from Consent Agenda

There were no items removed from the Consent Agenda. No action was required or taken.

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

- A. 19-113 Consideration, discussion and possible direction to Staff to enter into negotiations for the potential acquisition of Green Country Sewer District located at 20108 East 33rd Place South, Broken Arrow, Oklahoma 74014**

Assistant City Manager of Operations, Kenny Schwab, reported staff sought Broken Arrow Municipal Authority's input and direction regarding possible acquisition of Green Country Sewer District. He stated Green Country Sewer District was located in northern Broken Arrow, was established in March 1976, and was a privately owned and operated sewer district; Jack Spradling was the majority owner. He reported on December 10, 2018, Mr. Spradling met with Chuck Vokes regarding the Authority's possible interest in acquiring Green Country Sewer District. He explained Mr. Spradling designed and ran the Sewer District, but was ready to retire. He reported the sewer district serviced approximately 3,000 customers, covered 1.5 square miles to 1.75 square miles, and included 10 to 12 subdivisions; it collected and treated sewage, discharged into Spunky Creek. He reported approximately 9 of the subdivisions which Green Country Sewer serviced, were located within Broken Arrow City Limits. He stated DEQ (Department of Environmental Quality) granted Green Country Sewer District an extension to accept another 500 customers (3,500 customers were equal to approximately 10,000 individuals). He reported historically Green Country Sewer District had overflows and bypasses in the system; however, DEQ worked with Green Country, entered into a consent order (5 years ago) to improve the system and since that time five Green Country lift stations were rebuilt; the sixth lift station for Whiskey Ridge would be brand new. He reported the manholes were updated. He reported an Engineering Report was acquired five years ago. He reported Green Country had improved its plant to full-mechanical and processed up to 1.5 million gallons per day.

Mr. Schwab indicated his greatest concern was what type of stream the Green Country Sewer District discharged into. He reviewed the different types of stream classifications, class B or class A being the acceptable stream class, with class C or class D being problematic. He explained there were many unknowns at this time. He stated he wished to know what the Broken Arrow Municipal Authority's input, thoughts, and directions were.

Vice Chair Scott Eudey asked if Broken Arrow acquired Green Country Sewer District what would happen with the subdivisions which were located outside city limits. Mr. Schwab responded the city could require the customers and subdivision to come into City Limits, but he did not feel this was necessary. He stated he believed Renaissance Park, East Borough and Eagle Ridge were the three subdivisions outside City Limits. He stated Green Country Sewer District had about \$1.2 million dollars in revenue annually with 3,000 customers at \$40 dollars per month; with the additional 500 customers revenue went up to approximately \$1.4 million dollars. He explained Green Country Sewer District charged a \$40 per month flat fee.

Trustee Johnnie Parks asked if the treated water (emptied into Spunky Creek) eventually emptied into the Verdigris water shed. Mr. Schwab responded in the affirmative. Trustee Parks asked how far this facility was located from a large sewer line. Mr. Schwab responded the facility was located approximately a half of a mile east of 23rd Street and a half of a mile south of Rockford (31st Street). He stated there was a main lift station on 37th, approximately 2.5 miles away which was a potential remedy for future redirection problems. He stated Broken Arrow would eventually need an additional plant to the north to come into the Verdigris and this acquisition could potentially help fill this need.

Trustee Mike Lester asked how the Green Country Sewer District sewer lines compared to Broken Arrow sewer lines. Mr. Schwab responded he was unsure. He stated an engineering report had been filed with the Department of Environmental Quality which would contain that information. Trustee Lester asked if the Green Country Sewer District facility was similar to Broken Arrow sewer facilities and would it meet Broken Arrow standards. Mr. Schwab responded he was unsure; he stated the lift stations were new concrete lift stations, but he would not know about the lines until he reviewed the Engineering Report. Trustee Lester stated Broken Arrow would be responsible for fixing any problems Green Country Sewer District had once it was acquired. He asked what advantage there was in acquiring this facility. Mr. Schwab responded if the Green Country Sewer District remained private and new owners

defaulted, it could become quite problematic to the City of Broken Arrow, as Broken Arrow surrounded this district on three sides. He indicated the State had approached Broken Arrow over a decade ago and asked Broken Arrow to become involved in this private sewer district.

Trustee Parks stated he felt the city needed to acquire the several private sewer districts and water companies which operated to the north. He stated he believed the private sewer districts could become a problem which would only worsen with time. He stated sooner or later Broken Arrow needed to begin the process of bringing the private districts into Broken Arrow. He stated if this sewer district could be purchased at a good price and the Engineering Department approved, he felt it was fitting to acquire the area and care for the citizens in the area.

Vice Chair Eudey asked if there was any discussion of sales price. Mr. Schwab responded in the negative; he explained he first wished to obtain the Authority's input. He explained if the Broken Arrow Municipal Authority (BAMA) approved he would obtain the Engineering Report, the daily monitoring report, the consent order, discuss with BAMA, and then possibly hire a consultant to investigate. He stated many private entities might be interested in acquiring this sewer district and he hoped Broken Arrow would take the lead in the investigation. Discussion ensued regarding holding public meetings with the citizens in the Green Country Sewer District, not wanting to spend tax payer dollars on a fruitless venture, obtaining a right of first refusal contract before spending funds investigating the Green Country Sewer District.

Mr. Schwab stated he did not believe the state would force Broken Arrow to take over Green Country Sewer District, but he worried what would happen if that were the case. He stated Broken Arrow acquired a private sewer district many years ago, Adams Creek Lift Station.

Vice Chair Eudey stated he agreed with Trustee Parks. He agreed the Citizens of Broken Arrow which utilized Green Country Sewer District should be able to enjoy the same quality service that the rest of Broken Arrow enjoyed, but he wanted to be certain the city did not waste money researching this facility without first acquiring assurances.

City Manager Spurgeon reported this would be the largest private sewer district he had ever acquired, the city would need to do due diligence prior to acquisition by reviewing the Engineering Report, inflow and infiltration, capital improvements to the plant, cost of system purchase, cost of operations, etc. He recommended allowing staff to explore this. He recommended extreme transparency with the public.

Mr. Schwab reported the plant was larger than the City of Coweta's plant; therefore, it should be remembered, while the plant did not compare in size and volume to Broken Arrow, it was a significant plant in size and volume. Vice Chair Eudey stated he wondered how large the plant could grow to be; it might be a useful tool in the future as Broken Arrow grew. Mr. Schwab concurred. Trustee Lester stated the city needed to be mindful of raising rates to accommodate this type of acquisition. Mr. Schwab agreed. He stated there was a lot of information staff could acquire and present to BAMA prior to considering hiring a consultant. He stated the Green Country Sewer District Operator, who had operated this district for more than 10 years, would most likely be willing to share information as well. Discussion ensued regarding subdivisions built after 1993 being built to DEQ standards, the age of the district's subdivisions, and pursuing the matter further by gathering information. Vice Chair Eudey stated he felt the matter should be investigated further by staff; it was agreed.

6. General Authority Business

There was no General Authority Business.

At approximately 8:22 p.m. Chairman Thurmond stated he would entertain a motion for a brief recess to clear the room for the Executive Session.

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

Move for a brief recess to clear the room for the Executive Session

The motion carried by the following vote:

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

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

7. Executive Session

Executive Session for the purpose of confidential communications between the Broken Arrow Municipal Authority, the City Manager and the City Attorney, and possible action in open session on matters pertaining to the following:

1. The possible purchase and appraisal of real property located at the southwest corner of West Albany Street (East 61st Street) and North Olive Avenue (South 129th East Avenue), in Broken Arrow, Oklahoma, and possible action in open session, including authorization to negotiate for the potential purchase of this real property and obtain additional appraisals for this real property, under 25 O.S. §307(B)(3).

In the opinion of the City Attorney, the Authority is advised that disclosure will impair the ability of the Authority to process the pending appraisal and acquisition of real property in the public interest. After the conclusion of the confidential portion of executive session, the Authority will reconvene in open meeting, and the final decision, if any, will be put to a vote.

At approximately 8:49 p.m. Chairman Thurmond reconvened the regular session of the Broken Arrow Municipal Authority Meeting.

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

Move to find the Executive Session necessary

The motion carried by the following vote:

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

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

Move to authorize Staff to negotiate for the acquisition of real property located at the southwest corner of West Albany Street (East 61st Street) and North Olive Avenue (South 129th East Avenue) proceeding as discussed

The motion carried by the following vote:

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

8. Adjournment

The meeting adjourned at approximately 8:50 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 - Debra Wimpee, Johnnie Parks, Mike Lester, Scott Eudey, Craig Thurmond

Attest:

s/Craig Thurmond_____
Chairman

s/Curtis Green_____
Secretary