MUSTANG CITY COUNCIL
MARCH 3, 2014
SPECIAL MEETING

The Mustang City Council met in a Special Meeting on Monday, March 3, 2014, at 6:30 p.m. at the Mustang Police Department, 650 E. Highway 152, Mustang, Oklahoma. Notice of the meeting was posted on the Bulletin Board outside the Mustang Municipal Building on Thursday, February 27, 2014, at 1:30 p.m. in compliance with the Open Meeting Law, 25 O.S., Section 301, et. seq.

A. CALL TO ORDER

Mayor Adams called the meeting to order at 6:30 p.m.

B. ROLL CALL

Councilmembers Present:	**Taylor** **Bowers** **Jones (left at 7:45)** **Hagan** **Adams**
Councilmembers Absent:	**Staples** **Mount**

C. <u>DISCUSSION ITEMS</u>

1. **Presentation** by Diane Pedicord, OML General Counsel, regarding Oklahoma Open Meeting Act Title 25 of the Oklahoma Statutes. (20 minutes)

   Due to inclement weather, Diane Pedicord was unable to attend the meeting. ***Jonathan Miller, City Attorney***, provided a presentation on "Oklahoma's Open Meeting Act". (Copy of presentation available in meeting file.)

   Councilman Jones asked what the advance notice requirement was for an Emergency Meeting.

   Miller stated there was not a requirement for advance notice such as 24 and 48 hours for an Emergency Meeting; however, the City should provide as much advance notice as reasonable.

2. **Discussion** regarding Lodging Tax. (15 minutes)

City Manager Rooney advised lodging tax background information and history is provided in the commentary stating Mustang voters defeated a 5% lodging tax approximately 3 ½ years ago and the hotel industry is the one main industry yet to be attracted to Mustang advising an incentive is needed. **Rooney** stated the incentives would be paid back through the lodging tax and would bring visitors to our community which would benefit us not only through lodging, but restaurants and retail. He stated the packet provides a list of cities similar in size to Mustang who have a lodging tax showing the revenue generated from it. He stated City Staff would develop an Ordinance to present to Council for a future election unless the Council has any huge concerns against it.

Community Development Director Coleman advised there was a typo on page 1 of the commentary stating the cost to acquire property and construct an 81 room hotel would cost $4.5M - $5.5M, not $450,000 - $550,000. He stated he had talked to several developers who came up with similar numbers and also discussed some of the disadvantages of building a hotel in Mustang such as land costs being higher, not having a vacation venue, having few large employers to produce overnight stays, etc; however, Mustang also has a lot of activity generated by the ball fields and the city loses that revenue as participants stay in Yukon or south Oklahoma City instead of staying here and eating here.

Other discussion included the reasons the last lodging tax was defeated by voters with the primary reason being the lack of information and education to the public. If brought to a vote of the people again, much more information will be provided through as many avenues as possible, such as Town Hall meetings, speaking engagements, etc.

Discussion was also held regarding what the lodging tax would go towards with it being stated initially, it would be used to pay off the incentive and used to attract the hotel industry, but later could be earmarked elsewhere such as capital items, streets, wastewater, etc.

3. **Discussion** regarding Wage Reopener Clauses – Fraternal Order of Police and International Association of Fire Fighters. (10 minutes)

City Manager Rooney advised Collective Bargaining Agreements for the Fraternal Order of Police (FOP) and the International Association of Fire Fighters (IAFF) as well as an agreement committing to a wage re-opener for both groups were approved by the Council for fiscal year 2014. He stated the City did so with a responsibility that if the City was not comfortable providing additional wage increases at the time of contract negotiations, we would commit to reviewing the financial condition of the City six months into the fiscal year and if that review is positive, look at doing what we can. **Rooney** stated he reviewed financial information with ***Finance Director Watts*** and three scenarios were considered where a one-time payment of $500, $750 or $1,000 could be offered, stating by offering the one-time payment, it would not automatically be added to next year's bottom line. He advised sales tax collections as well as use tax collections were above budgeted amounts and staff would be comfortable offering a one-time payment of $750 to both bargaining groups with both groups, at the time of writing the commentary, accepting the proposal contingent upon City Council approval. **Rooney** stated the cost for the one-time payments would be FOP $18,000 and IAFF $14,750.

Rooney stated he would also recommend a one-time payment of $750 for non-bargaining employees as it did not seem fair to look at two groups and not the others. He stated the cost for this one-time payment would be $33,050 with the total cost for all three groups totaling $65,900.

Discussion was held regarding the one-time payment versus a 2% COLA with it being stated the 2% COLA would initially be less money; however, a COLA would add to the bottom line where it would be carried over to the next year; therefore, a one-time payment is a savings over all.

Discussion was also held concerning the City reserves. **Rooney** stated the City currently has closer to 20% in reserves and would still be above 15%, which is the minimum, with the one-time payment. It was also stated the one-time payment to non-bargaining employees would be given to full time employees only.

Other discussion was held regarding the one year contract period of the collective bargaining agreements and if the City and FOP and IAFF could enter into a multi-year agreement instead of one year agreements. **Rooney** stated he would like to see a multi-year contract, but it does come with some difficulty such as forecasting revenues over two or three years plus, with change in leadership, it can create a trust issue as well.

4. **Discussion** regarding SW 89th Street Paving. (5 minutes)

City Manager Rooney provided an update regarding the SW 89th Street repairs advising the current patching and repairs are being completed to address serious surface conditions; however, it was never intended for this to be a long term solution. He stated certain sections of the road are worse than others with the two most severe areas in need of repair being the one mile segments that lie east and west of Sara Road. **Rooney** stated he visited with Silver Star Construction and with the assistance of Canadian County crews (he also thanked Commissioner Anderson), the following will be presented to City Council in the March 18, 2014 meeting:

- 89th Street from Sara Road to Mustang Road – Mill the entire 1 mile stretch, make base repairs and replace tinhorns where necessary, and add a 4" overlay of asphalt with the total cost estimate being $280,000;

- 89th Street from Sara Road to Morgan Road – Mill a majority of the 1 mile stretch, provide a chip and seal overlay (this area does not get as much traffic) which would result in this mile long segment resembling the mile long stretch that is east of County Line Road (outside the City of Mustang) with the total cost estimate being $150,000;

- Contingency of $20,000 to address any unanticipated problems

Mayor Adams stated he has received a lot of phone calls regarding 89th street and people are not happy it's not being done sooner. He stated he has told them we were waiting for warmer weather to lay asphalt as the warmer the weather, the longer the life span.

Rooney advised money was available in the Street Improvement Fund and stated these costs are possible as a result of the existing contract with Silver Star Construction and the assistance of Canadian County crews. He also stated the milling from the mile section between Sara Road and Mustang Road will be transferred to Wild Horse Park and be used for additional parking near the expanded baseball parking area and can then be used as a base for future overlay and parking.

5. **Discussion** regarding Water Quality Items. (5 minutes)

City Manager Rooney advised of water quality issues needing addressed and will need to be discussed over a series of meetings. He stated areas west of I-35 have arsenic issues and the City of Mustang is not immune to this problem. He stated arsenic levels have been rising which forces the City to purchase water from the City of Oklahoma City to mix with our water in order to dilute it, advising several of the City's wells have been turned off as it costs too much to neutralize the water. **Rooney** stated he would like to discuss an arsenic treatment that can be used to neutralize the water which would add more water resources of our own and lower our dependency on the City of Oklahoma City; however, he stated the City does not want to cut ties with Oklahoma City entirely. He stated ***Finance Director Watts*** and Severn Trent will be meeting with the City of Oklahoma City to renegotiate the current contract as the current agreement punishes us if we purchase over a certain amount.

Rooney also discussed two miles of hot soils where distribution lines have problems with breaks advising the lines are old and this needs to be addressed as well. He stated one option may be a low interest loan with the Oklahoma Water Resources Board (OWRB).

6. **Discussion** regarding Westside Lift Station; 74th Street Booster Station; and County Line Road Storage Tank Projects.
(5 minutes)

City Manager Rooney advised two reports were included in the Work Session packets:

- Engineering Report – Proposed Westside Sewer Lift Station;

- Preliminary Engineering Report – Improvements to SW 74th Street Water Booster Station and County Line Road Water Storage Tank

Rooney advised in the Westside Sewer Lift Station report, three alternatives were selected for further study; however, one was thrown out due to cost; therefore, two are presented to Council for selection. He stated in regards to the SW 74th Street Water Booster Station, the next step would be the final engineering report and stated funding has been in the budget for a year or two. **Rooney** stated a presentation to City Council in a City Council meeting could be made by EST, Inc. on both reports if Council would desire.

Discussion was held concerning the length of time EST, Inc. has taken to provide the reports. **Mayor Adams** stated he thought EST, Inc. was already developing design specifications to go out to bid in regards to the Booster Station advising he was not happy with the length of time taken by EST, Inc. It was discussed that the work request was given to EST, Inc. in July or August with the reports not being provided until late February. **Rooney** stated EST, Inc. advised there had been changes made due to concerns by Severn Trent and the report had to be redone.

Other discussion included the preliminary numbers in regards to cost for the Water Booster Station with an estimate of $194,000 plus engineering fees, which would bring the cost closer to the budgeted amount; and the Lift Station costing more depending on which alternative is selected. It was also stated the funds can be carried over to the next budget.

7. **Discussion** regarding Budget Calendar for Fiscal Year 2014-2015. (5 minutes)

   City Manager Rooney stated the Budget Calendar was included in the Work Session packet for Council review, stating Friday, March 7, 2014, is the first major deadline date for City Staff. He stated two Budget Work Sessions have been scheduled, instead of three as were held last year, on May 8 and May 15, 2014; however, these dates can be changed if needed. He requested the Council let him know as soon as possible if anyone has a conflict with the dates selected. **Rooney** stated a Work Session would not be held in the month of May due to the Budget Work Sessions.

8. **Discussion** regarding Future Work Sessions. (5 minutes)

   Discussion was held concerning dates and times to hold future Work Sessions. **Councilwoman Hagan** requested a Work Session not be held in the month of June, if possible, as she will be out of town most of this month. **City Manager Rooney** requested everyone email him their preferences and he would put together a calendar to present at the March 18, 2014 City Council meeting. **Mayor Adams** stated he would also like to see Work Sessions addressing items such as long term road plans, water and sewer lines, sidewalks, etc.; develop plans throughout the year instead of only addressing them at budget time.

9. **Tour** of Police Department facility. (20 minutes)

   Police Chief Foley conducted a tour of the Police Department facility.

K. ADJOURNMENT

MOTION was made by **Mayor Adams**, seconded **Councilman Taylor** to adjourn.

AYE: Taylor, Bowers, Jones, Hagan, Adams
NAY: None

The meeting was adjourned at **8:15 p.m.**

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Jay Adams, Mayor

Attest:

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Lisa Martin, City Clerk