

AGENDA

A. CALL TO ORDER

B. PLEDGE OF ALLEGIANCE/INVOCATION

Joey Snodgrass, Pastoral Ministry Resident, First Baptist Church Mustang

C. ROLL CALL

D. INTRODUCTION OF GUESTS/HEARING OF CITIZENS OR DELEGATES

E. NEW BUSINESS, DELETIONS OR CONTINUANCES TO THE AGENDA

F. CONSENT AGENDA

These items are considered on the Consent Agenda so that members of the City Council by unanimous consent can designate routine agenda items to be approved by one motion. If any item proposed on the Consent Agenda does not meet with approval of all Councilmember's that item will be removed and heard in regular order.

1. Approval of **06/20/2017** City Council Minutes.
- *2. Claims List for **FY 2017**.
- *3. Claims List for **FY 2018**.
4. Approval to **Declare Asset as Surplus** and Authorize Disposal of Such Asset.
5. Approval of **Resolution No. 18-001** making changes in the Limited Purpose Fund Budget by making a Supplemental Appropriation to Increase the 2017-2018 Fiscal Year Budget by \$7,418.
- *6. Approval to Turn **Past Due Utility Accounts** over to the Collection Agency.
7. Approval to Turn **Past Due Library Accounts** over to the Collection Agency.
8. Approval to Renew the **Public Works Contract** between the Department of Corrections and the City of Mustang.
9. Approval to Renew Agreement with **Mustang Public Schools** to Provide Campus School Resource Officers.

G. INFORMATION/REPORTS

1. City Manager
2. City Council
 - a. Approval of **Proclamation** Declaring July, 2017, as "Park and Recreation Month".
 - b. City Council Reports

H. DISCUSSION ITEMS

- *1. **Discussion, Consideration and Possible Action** regarding Approval of Contract for Operation, Maintenance, and Management of the Water and Wastewater Treatment Facilities for the City of Mustang.
2. **Discussion, Consideration and Possible Action** regarding Approval of **Resolution No. 18-002**, a Resolution of the City of Mustang, Oklahoma (the "City") approving the incurrence of indebtedness by The Mustang Improvement Authority (the "Authority") issuing its Utility System and Sales Tax Revenue Note, Series 2017 (the "Note"); providing that the organizational document creating the Authority is subject to the provisions of the Indenture authorizing the issuance of said Note; waiving competitive bidding and approving the proceedings of the Authority pertaining to the sale of said Note; ratifying and confirming a Lease Agreement, as amended between the City and the Authority whereby the City leases its water and sanitary sewer systems to the Authority; ratifying and confirming a Sales Tax Agreement pertaining to the year-to-year pledge of certain sales tax revenues; and containing other provisions relating thereto.

J. CITY ATTORNEY'S REPORT

1. **Discussion, Consideration and Possible Action** regarding potential purchase and acceptance of permanent and temporary easements and authorization for Mayor and City Staff to execute necessary documents to accomplish the same; and, **proposed Executive Session as authorized by 25 Okla. Stat. §307(3).**
2. **Discussion, Consideration and Possible Action** regarding potential litigation; and, **proposed Executive Session as authorized by 25 Okla. Stat. §307(4).**
- *3. **Discussion, Consideration and Possible Action** regarding terms of Employment Agreement with City Attorney; and, **proposed Executive Session as Authorized by 25 Okla. Stat. §307(B)(1, 2).**

K. ADJOURNMENT

*Items Considered Concurrently on the MIA Agenda.

**MUSTANG CITY COUNCIL
JUNE 20, 2017**

The Mustang City Council met in regular session on Tuesday, June 20, 2017, at 7:00 p.m. in the Mustang Municipal Building Council Chambers. Notice of the meeting was posted on the Bulletin Board outside the Mustang Municipal Building on Friday, June 16, 2017, at 12:10 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 **7:00 p.m.**

B. PLEDGE OF ALLEGIANCE/INVOCATION (Brian Grider, Councilmember, Ward III).

Councilman Grider led the assembly in the Pledge and Invocation.

C. ROLL CALL

Councilmembers Present:	Riley
	Leete
	Grider
	Hagan
	Adams

Councilmembers Absent:	Jones
	Schweinberg

D. INTRODUCTION OF GUESTS/HEARING OF CITIZENS OR DELEGATES

None.

E. NEW BUSINESS, DELETIONS OR CONTINUANCES TO THE AGENDA

City Manager Rooney requested Item No. H-4 be pulled from the agenda.

F. CONSENT AGENDA

1. Approval of **06/06/2017** City Council Minutes.
- *2. Claims List for **FY 2017**.
3. Approval to **Deny Tort Claim** by Jeremy Spengler, date of incident May 1, 2017, in the amount of \$2,000.
4. Approval to Renew **Excess Workers' Compensation Insurance** with Midwest Employers Policy.

MOTION was made by **Councilman Grider**, seconded by **Councilman Leete**, to approve Items F-1 through F-4 of the Consent Agenda.

AYE: Riley, Leete, Grider, Hagan, Adams
NAY: None

G. INFORMATION/REPORTS

1. City Manager

City Manager Rooney stated the City Manager Report was distributed and posted on the City's website earlier today with a paper copy provided to Council this evening.

2. City Council

- a. Appointment of Brian Patric to Leisure Services Board for Ward Six Representative

Assistant City Manager Battles stated the appointment was for the Ward Five representative instead of Ward Six stating Mr. Patric was well qualified and would be a good asset for this Board.

MOTION was made by **Councilwoman Hagan**, seconded by **Councilman Leete**, to approve the Appointment of Brian Patric to the Leisure Services Board.

AYE: Riley, Leete, Grider, Hagan, Adams
NAY: None

- b. Presentation to Warriors for Freedom.

Sports Coordinator Bailey stated this was his fifth year to be involved with the Warrior Weekend Classic benefiting the Warriors for Freedom Foundation stating it was a humbling experience and blessed to be a part of it. He stated the City, the Mustang Youth Baseball Association, the Mustang Softball Association along with the Warriors for Freedom Foundation all pitch in over this weekend to help make it successful.

Brett Dick, Co-Founder of the Foundation, also spoke to the Council providing information regarding what the Foundation offers to the Veterans as well as Active Duty Soldiers stating they are unique to Oklahoma and extra funding such as this helps provide funds for activities and programs such as a recent scuba program where seven individuals were certified. He stated this year, the players were given bios of those who lost their lives serving and the players read those before the games stating it was very heartfelt and meant a lot to them.

Bailey presented a check on behalf of the City, Mustang Youth Baseball, and Mustang Softball Association to Mr. Dick in the amount of \$13,000. He also presented him with a hand-made wooden flag thanking him for the Foundation's help with the tournament. **Bailey** introduced the Vice President and Treasurer of the Baseball and Softball Associations and the Head Groundskeeper, Blake Dixon.

Councilman Leete stated he too was a veteran and wounded warrior stating this is special, what the Foundation is doing, and he is extremely proud of them. He stated he recently attended the retirement of a military colleague stating he was able to provide him with the flag that flew the first day and was the centerpiece of his shadowbox stating the shadowbox is something very special to a military serviceman.

c. City Council Reports

Mayor Adams asked the Councilmembers if they had anything to report in their respective Wards:

Councilman Riley stated he did not have anything to report at this time.

Councilman Leete stated he had received a few calls and would discuss with the City Manager.

Councilman Grider stated the primary function of the Council was to enhance the quality of life in this City stating this was also very important to Staff as well. He stated he had not spoken a lot regarding the new All-Inclusive Playground, but recently received a letter from a parent who has a child with special needs and she thanked everyone for a playground an older child could utilize and for putting one of the largest grins ever on his face. He stated the letter was very touching and the park and playground are always busy, no matter the time of day. He stated he was thankful the City Staff and citizens saw this as an important need and thankful to be a part of this City.

Councilwoman Hagan did not have anything to report at this time.

Mayor Adams stated he agreed, it was important to keep the focus on quality of life and was thankful for a Council who also felt this way.

H. DISCUSSION ITEMS

1. **Discussion, Consideration and Possible Action** regarding Approval of **Ordinance No. 1149**, an Ordinance of the City of Mustang, Oklahoma, Amending Chapter 34, by Amending Section 34-35 to Change the Number of 911 Abuses or False Alarms after which Notice will be sent and a Fee Imposed for Subsequent 911 Abuses or False Alarms; Amending Chapter 42, by Amending Section 42-34(A) and 42-34(C) to Increase the Fee for 911 Abuses and False Alarms Exceeding Five per Fiscal Year; Declaring Repealer; Providing for Severability; and Declaring an Emergency.

Community Development Director Helsel stated this item was discussed at a previous Work Session with Council expressing support. She stated this Ordinance would reduce the number of free false alarms from nine to five and increase the fee from \$15 per incident over nine to \$50 per incident over five. She stated a warning letter would be sent after three and five false alarms and once passed five, the offender would be charged the \$50 fee. She stated frequent offenders have been notified of the change stating it would not go into effect until July.

Councilman Leete asked if the \$50 fee would still be lower than other cities around us.

Helsel stated it would place us in the lower third stating it would bring us closer to the cost of responding to the false alarms and provide more incentive for the offender to make changes.

MOTION was made by **Councilman Grider**, seconded by **Councilman Riley**, to Approve **Ordinance No. 1149**, an Ordinance of the City of Mustang, Oklahoma, Amending Chapter 34, by Amending Section 34-35 to Change the Number of 911 Abuses or False Alarms after which Notice will be sent and a Fee Imposed for Subsequent 911 Abuses or False Alarms; Amending Chapter 42, by Amending Section 42-34(A) and 42-34(C) to Increase the Fee for 911 Abuses and False Alarms Exceeding Five per Fiscal Year; Declaring Repealer; Providing for Severability.

AYE: Riley, Leete, Grider, Hagan, Adams
NAY: None

A vote was not taken on the Emergency Clause.

2. **Discussion, Consideration and Possible Action** regarding First Reading and Setting Date for Consideration of **Ordinance No. 1150**, an Ordinance of the City of Mustang, Oklahoma, Amending Chapter 90, of the Code of Ordinances of the City of Mustang, Oklahoma, by Adding Section 90-7, Partially Vacating an Easement Dedicated to the City of Mustang, which Easement is located East of and Adjacent to Lot 8 of Mitchell Addition to the City of Mustang, Canadian County, Oklahoma, According to the Recorded Plat Thereof, as more particularly described; Declaring Repealer; Providing for Severability; and Declaring an Emergency.

Community Development Director Helsel stated a request has been made to vacate a right-of-way easement in Mitchell Addition. She stated the reason for the request was due to a derelict vehicle being left on the property and the vehicle owner would not move it stating it was in a right-of-way. She stated the vehicle has been moved and the request has been made in order for this to not happen in the future.

Helsel stated this item was for the initial reading required by Code and to set the Public Hearing date stating Staff would recommend August 1, 2017 for the Public Hearing date.

City Attorney Miller read the Ordinance aloud.

MOTION was made by **Councilman Riley**, seconded by **Councilman Grider**, to Set the Date for Consideration of **Ordinance 1150** to August 1, 2017.

AYE: Riley, Leete, Grider, Hagan, Adams
NAY: None

3. **Discussion, Consideration and Possible Action** regarding Approval of **Resolution No. 17-039** and the Oklahoma Department of Transportation Project Agreement No. 27901(04), Local Traffic Detour for State Highway 152 Project.

Assistant City Manager Battles stated this Resolution and Agreement was from the Oklahoma Department of Transportation (ODOT) in regards to the expansion of State Highway 152 from Clear Springs Road to State Highway 81 in Union City. He stated ODOT would need the City's help with the detour stating traffic would be diverted onto alternate routes within the City which consists of Clear Springs Road and Frisco Road.

Battles stated ODOT has agreed to improve Clear Springs Road by adding an asphalt overlay and striping prior to construction of State Highway 152. He also stated additional improvements would be made to 59th Street stating however, that was the responsibility of Oklahoma City.

Discussion was held concerning the timeline with **Battles** stating maybe 2018. He stated dates would be provided as ODOT moves closer stating they still had to work out some of the logistics.

MOTION was made by **Councilman Leete**, seconded by **Councilman Grider**, to Approve **Resolution No. 17-039** and the Oklahoma Department of Transportation Project Agreement No. 27901 (04), Local Traffic Detour for State Highway 152 Project.

AYE: Riley, Leete, Grider, Hagan, Adams

NAY: None

- *4. **Discussion, Consideration and Possible Action** regarding Approval of Contract for Operation, Maintenance, and Management of the Water and Wastewater Treatment Facilities for the City of Mustang.

This item was pulled from the agenda by *City Manager Rooney* under New Business.

J. CITY ATTORNEY'S REPORT

1. **Discussion, Consideration and Possible Action** regarding potential purchase and acceptance of permanent and temporary easements and authorization for Mayor and City Staff to execute necessary documents to accomplish the same; and, **proposed Executive Session as authorized by 25 Okla. Stat. §307(3)**.

MOTION was made by **Councilman Grider**, seconded by **Councilman Leete** to adjourn to executive session.

AYE: Riley, Leete, Grider, Hagan, Adams

NAY: None

TIME ADJOURNED to Executive Session: **7:35 p.m.**

Mayor Adams called the meeting back in session at **7:51 p.m.**

In reference to Item J-1 –

MOTION was made by **Councilman Riley**, seconded by **Councilman Leete** to Approve the Acceptance of Permanent and Temporary Easements from Matthew J. Haughland, Donna M. Jackson, Warren and Rebekah Norman, Jeremy and Lindsey Norman, and Authorization for the Mayor and Staff to execute necessary documents to complete Acceptance of Easements.

AYE: Riley, Leete, Grider, Hagan, Adams

NAY: None

K. ADJOURNMENT

MOTION was made by **Councilman Grider**, seconded by **Councilman Riley**, to adjourn.

AYE: Riley, Leete, Grider, Hagan, Adams

NAY: None

The meeting was adjourned at **7:52 p.m.**

Jay Adams, Mayor

Attest:

Lisa Martin, City Clerk

FUND: 01 - GENERAL FUND

SUMMARY REPORT

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 01 MAYOR AND COUNCIL						
17-1975	01-C5250	COMTECH DESIGN, PRINT & MAI	PROCLAMATION LETTERS	6/2017	209038	896.99
17-2100	01-00090	STATE OF OKLAHOMA	UNEMPLOYMENT TAX PAYABLE	6/2017	201706275486	56.31
17-0092	01-W0001	WHEATLEY, SEGLER, OSBY & MILEGAL SERVICES		6/2017	17642	60.66
DEPARTMENT TOTAL:						1,013.96
DEPARTMENT: 11 CITY MANAGER						
17-1940	01-C0020	CANADIAN COUNTY CLERK	FILING FEES FOR EASEMENTS	6/2017	R513272	104.00
17-0065	01-M0160	MUNICIPAL CODE CORPORATION	SUPPLEMENTS	6/2017	290503	29.16
17-2100	01-00090	STATE OF OKLAHOMA	UNEMPLOYMENT TAX PAYABLE	6/2017	201706275486	36.23
17-0199	01-V0106	VALIR OUTPATIENT CLINICS	MAPRE-EMPLOYMENT DRUG SCREE	6/2017	201706275473	200.00
17-0092	01-W0001	WHEATLEY, SEGLER, OSBY & MILEGAL SERVICES		6/2017	17643	636.72
17-2099	01-W0009	WORKERS ASSISTANCE PROGRAM,EMPLOYEE ASSISTANCE PROGR		6/2017	62714	437.88
DEPARTMENT TOTAL:						1,443.99
DEPARTMENT: 12 LIBRARY						
17-1794	01-M0263	MIDWEST TAPE, LLC	NON PRINT MATERIALS	6/2017	95133152	233.39
17-2100	01-00090	STATE OF OKLAHOMA	UNEMPLOYMENT TAX PAYABLE	6/2017	201706275486	470.88
DEPARTMENT TOTAL:						704.27
DEPARTMENT: 13 PARKS AND RECREATION						
17-2085	01-B0226	AUBREY BROCK	REFUNDS	6/2017	201706285489	45.00
17-0741	01-D0065	CHRISTOPHER DELOE	SENIOR BUS REPAIRS	6/2017	201706275478	60.00
17-2076	01-D0065	CHRISTOPHER DELOE	REPAIRS TO SR. VAN	6/2017	201706275477	60.00
17-1882	01-G0110	CUNNINGHAM ASSOCIATES, INC.	SWING CLEVIS	6/2017	62589	129.00
17-2065	01-H0116	BETTY HOLMES	ROOM RENTAL REFUND	6/2017	2115	37.50
17-2100	01-00090	STATE OF OKLAHOMA	UNEMPLOYMENT TAX PAYABLE	6/2017	201706275486	872.64
17-2060	01-S0269	BETHANY SMITH	REFUND OF CAMP FEE	6/2017	204013A	90.00
17-2063	01-S0269	BETHANY SMITH	REFUND OF CAMP FEE	6/2017	204013	36.00
17-2044	01-S0295	SHIRLEY STAPLETON	SWIMMING LESSON REFUND	6/2017	123342,199505	135.00
17-1539	01-S0328	SPRINT SPECTRUM, LP	CELL PHONES FOR ASP	6/2017	597274785-110	156.14
DEPARTMENT TOTAL:						1,621.28

FUND: 01 - GENERAL FUND

SUMMARY REPORT

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 15		GENERAL GOVERNMENT				
17-0041	01-C0278	COX COMMUNICATIONS, INC.	TELEPHONE/INTERNET	6/2017	201706295493	6,555.19
17-0081	01-P1051	PITNEY BOWES BANK, INC	BULK POSTAGE	6/2017	201706275481	3,521.57
17-0087	01-S0010	SYNCHRONY BANK	ANNUAL MEMBERSHIP FEE	6/2017	201706295494	135.00
17-1838	01-S0093	SMART TECHNOLOGIES, INC	MICROSOFT PROJECT SOFTWARE	6/2017	717330	449.00
17-1913	01-S0173	STANDLEY SYSTEMS, LLC	COPIER LEASE/USAGE	6/2017	731177	2,421.65
DEPARTMENT TOTAL:						13,082.41
DEPARTMENT: 18		TOWN CENTER				
17-2081	01-B1002	BEASLEY TECHNOLOGY	PORTABLE SPEAKER	6/2017	3004851	990.00
17-2100	01-O0090	STATE OF OKLAHOMA	UNEMPLOYMENT TAX PAYABLE	6/2017	201706275486	80.95
17-1126	01-S1165	INTERLINE BRANDS, INC	CLEANING SUPPLIES	6/2017	404218109	12.37
17-1910	01-S1165	INTERLINE BRANDS, INC	JANITORIAL SUPPLIES	6/2017	403657505	442.76
17-1941	01-S1165	INTERLINE BRANDS, INC	JANITORIAL SUPPLIES	6/2017	404363418	608.64
17-2017	01-S1165	INTERLINE BRANDS, INC	SUPPLIES	6/2017	403657497	715.61
DEPARTMENT TOTAL:						2,850.33
DEPARTMENT: 19		BALL COMPLEX				
17-1939	01-B1019	BEN E. KEITH COMPANY	FOOD FOR CONCESSION	6/2017	63546468	1,964.56
17-2009	01-B1019	BEN E. KEITH COMPANY	FOOD FOR CONCESSION	6/2017	63552219	2,000.00
17-2037	01-B1019	BEN E. KEITH COMPANY	FOOD FOR CONCESSION	6/2017	63552219A	1,000.00
17-2038	01-B1019	BEN E. KEITH COMPANY	FOOD FOR CONCESSION	6/2017	63559867	668.40
17-2082	01-B1019	BEN E. KEITH COMPANY	FOOD FOR CONCESSION	6/2017	63553533	500.00
17-1984	01-C0189	TODD D. ABRELL	REPAIRS FOR EQUIPMENT	6/2017	7553	250.00
17-1926	01-I1119	STEPHEN WHOLESALE CO, INC.	FOOD FOR CONCESSION	6/2017	6728500	1,225.79
17-2010	01-I1119	STEPHEN WHOLESALE CO, INC.	FOOD FOR CONCESSION	6/2017	6724107	1,968.98
17-1924	01-M1000	MAZZIO'S MUSTANG INC	PIZZA'S FOR CONCESSION	6/2017	731753	380.00
17-2043	01-M1000	MAZZIO'S MUSTANG INC	PIZZA'S FOR CONCESSION	6/2017	731758	443.50
17-2100	01-O0090	STATE OF OKLAHOMA	UNEMPLOYMENT TAX PAYABLE	6/2017	201706275486	670.11
17-1925	01-O0230	SHAWN A. LEWELLYN	MINI MELTS FOR CONCESSION	6/2017	1063	840.00
17-1960	01-P0144	BOTTLING GROUP, LLC	DRINKS FOR CONCESSION	6/2017	85056506	3,660.20
17-0797	01-S0265	J R SIMPLOT COMPANY	FIELD CHALK & FIELD DRY	6/2017	218019802	762.80
17-2041	01-S0282	CHRIS L. SPITLER	SCHEDULING OF UMPIRES	6/2017	201706275472	740.00
17-0224	01-U0009	US FOODS, INC	FOOD FOR CONCESSION	6/2017	2195455	281.85
DEPARTMENT TOTAL:						17,356.19

FUND: 01 - GENERAL FUND

SUMMARY REPORT

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 20		AQUATICS				
17-2100	01-00090	STATE OF OKLAHOMA	UNEMPLOYMENT TAX PAYABLE	6/2017	201706275486	643.00
17-1676	01-S1002	STERLING J. BEECROFT, LLC	REPAIR SOCKETS, ELECTRIC	6/2017	3376	193.00
17-1720	01-S9983	SUNBELT POOLS, INC	CHEMICALS FOR AQUATICS	6/2017	29416-1	1,105.00
17-1920	01-S9983	SUNBELT POOLS, INC	CHLORINE & CHEMICALS	6/2017	29416-1B	1,000.00
17-2045	01-S9983	SUNBELT POOLS, INC	CHLORINE & CHEMICALS	6/2017	29416-1A	825.00
17-1824	01-Y0040	YUKON TROPHY & AWARDS INC	REPLACEMENT SIGNAGE	6/2017	617342	140.00
DEPARTMENT TOTAL:						3,906.00
DEPARTMENT: 21		FINANCE				
17-1884	01-00027	OME CORP LLC	MAIL STUFFING MACHINE	6/2017	N6597981	148.32
17-2100	01-00090	STATE OF OKLAHOMA	UNEMPLOYMENT TAX PAYABLE	6/2017	201706275486	304.83
DEPARTMENT TOTAL:						453.15
DEPARTMENT: 31		COMMUNITY DEVELOPMENT				
17-0784	01-M0286	JIMANI VENTURES INC.	OIL CHANGE	6/2017	257180	51.98
17-2100	01-00090	STATE OF OKLAHOMA	UNEMPLOYMENT TAX PAYABLE	6/2017	201706275486	226.24
17-1725	01-V0050	CELLCO PARTNERSHIP	CELL PHONE	6/2017	9787945866	176.86
17-1613	01-X0004	JOHN RYCZKOWSKI	BULK ABATEMENT FEES	6/2017	201706275483	1,070.00
DEPARTMENT TOTAL:						1,525.08
DEPARTMENT: 41		POLICE				
17-1982	01-04900	J & I TRAILER HITCH	TRAILER HITCHES	6/2017	40745	400.00
17-2013	01-C0050	KING ENTERPRISES, L.L.C.	REPAIR/REPLACE FAUCET	6/2017	201706285491	350.00
17-0335	01-C1118	GLOBAL BUSINESS, INC.	UNIFORM & JAIL CLEANING	6/2017	201706275476	375.50
17-1696	01-C1132	CANADIAN CO. HEALTH DEPT	HEP B SHOTS	6/2017	201706285492	35.00
17-1981	01-C5250	COMTECH DESIGN, PRINT & MAI	CONTRACT REPORT/FORMS	6/2017	209099	175.00
17-1805	01-E0031	ENDURA LLC	DISPATCH OPERATOR CHAIRS	6/2017	9839	4,367.00
17-1807	01-M0115	MTM RECOGNITION CORPORATION	BADGE ORDER	6/2017	5884895A	80.00
17-2100	01-00090	STATE OF OKLAHOMA	UNEMPLOYMENT TAX PAYABLE	6/2017	201706275486	1,282.23
17-2073	01-S0266	SOUTHERN TIRE MART	TIRE ORDER	6/2017	47208233	417.12
17-0161	01-S1002	STERLING J. BEECROFT, LLC	PARKING LOT LIGHTS	6/2017	3378B	853.00
17-0509	01-S1002	STERLING J. BEECROFT, LLC	PARKING LOT LIGHT REPAIR	6/2017	3378A	853.00
17-0100	01-V0050	CELLCO PARTNERSHIP	MOBILE DATA TERMINAL USAG	6/2017	9787945866A	550.00
DEPARTMENT TOTAL:						9,737.85

FUND: 01 - GENERAL FUND

SUMMARY REPORT

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 42 ANIMAL CONTROL						
17-2100	01-00090	STATE OF OKLAHOMA	UNEMPLOYMENT TAX PAYABLE	6/2017	201706275486	94.08
17-0100	01-V0050	CELLCO PARTNERSHIP	MOBILE DATA TERMINAL USAG	6/2017	9787945866A	29.87
DEPARTMENT TOTAL:						123.95
DEPARTMENT: 51 FIRE						
17-0117	01-00290	OKC RADIO SHOP	RADIO SYSTEM USAGE FEES	6/2017	201706275479	3,504.60
17-1833	01-A0039	A.S.C. INC.	VEHICLE MAINT. & REPAIR	6/2017	65044	31.59
17-1834	01-A0110	ALL SEASON BUILDING SUPPLY,	MISC. BUILDING REPAIR	6/2017	109866	50.48
17-0120	01-C1118	GLOBAL BUSINESS, INC.	UNIFORM CLEANING	6/2017	L117759	8.00
17-2003	01-N0137	NORTHERN SAFETY CO INC	REPAIR SCBA	6/2017	101397677	162.75
17-1832	01-00025	O'REILLY AUTOMOTIVE STORES,	VEHICLE MAINT. & REPAIR	6/2017	0309-199302	7.99
17-2100	01-00090	STATE OF OKLAHOMA	UNEMPLOYMENT TAX PAYABLE	6/2017	201706275486	265.08
17-2047	01-P0123	RUSH TRUCK CENTERS OF OKLAHE-	4 BRAKE KIT REPAIR	6/2017	3006463817	1,603.86
17-1615	01-S0206	STOLZ TELECOM, LLC	VHF REPEATER REPLACEMENT	6/2017	2430	3,731.25
17-1739	01-S1015	S&S TEXTILES, INC	NUFIT 300 HATS W/LOGO	6/2017	45737	432.00
17-0121	01-U0055	UNIFIRST HOLDINGS, INC.	SHOP TOWEL SERVICE	6/2017	825 1197603	41.45
17-1687	01-W0020	WALMART COMMUNITY BRC	MISC. SUPPLIES	6/2017	201706275482	17.08
17-1590	01-W0045	WESTERN ENTERPRISES, INC	FIREWORKS SHOW	6/2017	4967	10,000.00
DEPARTMENT TOTAL:						19,856.13
FUND TOTAL:						73,674.59

6/29/2017 3:40 PM

PURCHASE ORDER CLAIM REGISTER

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FUND: 07 - LIBRARY FUND

SUMMARY REPORT

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 07		ADMINISTRATION				
17-1839	01-B0040	BARNES & NOBLE INC	BOOKS FOR PRIZES FOR SRP	6/2017	6866099	717.75
17-2025	01-00118	MEL ODOM	GUEST SPEAKER	6/2017	201706275480	100.00
17-0949	01-T0103	TECH LOGIC CORPORATION	RENTAL OF RFID TAGGING ST	6/2017	15007242	1,587.00
17-1130	01-T0103	TECH LOGIC CORPORATION	CHILD FRIENDLY KIOSK, LIC	6/2017	15007242A	470.53
DEPARTMENT TOTAL:						2,875.28
FUND TOTAL:						2,875.28

6/29/2017 3:40 PM

PURCHASE ORDER CLAIM REGISTER

PAGE: 6

FUND: 11 - PARK & REC DONATION

SUMMARY REPORT

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 00		ADMINISTRATION				
17-1666	01-S0236	SWANK MOTION PICTURES, INC MOVIE IN THE PARK		6/2017	2348297	228.00
DEPARTMENT TOTAL:						228.00
FUND TOTAL:						228.00

6/29/2017 3:40 PM

PURCHASE ORDER CLAIM REGISTER

PAGE: 7

FUND: 12 - 2012 GO BOND-TOWN CENTER

SUMMARY REPORT

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 15		ADMINISTRATION				
17-1130	01-T0103	TECH LOGIC CORPORATION	CHILD FRIENDLY KIOSK, LIC	6/2017	15007242A	7,916.47
DEPARTMENT TOTAL:						7,916.47
FUND TOTAL:						7,916.47

6/29/2017 3:40 PM

PURCHASE ORDER CLAIM REGISTER

PAGE: 8

FUND: 39 - LIMITED PURPOSE

SUMMARY REPORT

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 20 AQUATICS						
17-1922	01-B1002	BEASLEY TECHNOLOGY	T.V. FOR AQUATIC CENTER	6/2017	3004669	3,000.00
17-2026	01-B1002	BEASLEY TECHNOLOGY	INSTALL TV MENU	6/2017	3004669A	670.00
DEPARTMENT TOTAL:						3,670.00
DEPARTMENT: 61 STREETS						
17-1391	01-C0193	CHRIS BROMLOW	DIRECTIONAL SIGNS	6/2017	7201	8,660.00
DEPARTMENT TOTAL:						8,660.00
FUND TOTAL:						12,330.00

JUNE 2017 VISA

<u>DEPT</u>		
511	CITY MANAGER	\$ 500.00
512	LIBRARY	\$ 4,000.00
513	PARKS & RECREATION	\$ 8,000.00
515	GENERAL GOVERNMENT	\$ 6,000.00
518	TOWN CENTER	\$ 6,000.00
521	FINANCE	\$ 200.00
531	COMM. DEV.	\$ 1,500.00
541	POLICE	\$ 4,000.00
551	FIRE	\$ 6,000.00
TOTAL		\$ 36,200.00

June 2017 PAYROLL

<u>DEPT</u>		
501	CITY ATTORNEY	\$ 7,428.17
511	CITY MANAGER	\$ 39,813.75
512	LIBRARY	\$ 42,461.35
513	PARKS & RECREATION	\$ 94,486.93
518	TOWN CENTER	\$ 26,875.84
519	BALL COMPLEX	\$ 62,881.16
520	AQUATICS	\$ 60,213.28
521	FINANCE	\$ 55,719.40
531	COMMUNITY DEVELOPMENT	\$ 48,005.15
541	POLICE	\$ 267,238.69
542	ANIMAL CONTROL	\$ 6,630.59
543	OHSO GRANT	\$ 5,897.10
551	FIRE	\$ 180,412.54
TOTAL		\$ 898,063.95

CITY OF MUSTANG

July 3, 2017

GENERAL FUND

FY 18

VENDOR NAME	ACCOUNT #	DESCRIPTION	AMOUNT
STEVEN HUDDLESTON	01-501-5337	COURT APPEARANCES	\$ 1,600.00
YOUTH & FAMILY SERVICES	01-501-5352	ANNUAL CONTRACT	\$ 5,000.00
OK MUNICIPAL LEAGUE	01-501-5392	MAYORS COUNCIL OF OK MEMBERSHIP RENEWAL	\$ 305.00
MUSTANG CHAMBER OF COMMERCE	01-501-5397	ANNUAL FUNDING FEE	\$ 15,000.00
RISK MANAGEMENT FUND	01-501-5114	WORKERS COMP FEES	\$ 20.00
		DEPT TOTAL	\$ 21,925.00
RISK MANAGEMENT FUND	01-511-5114	WORKERS COMP FEES	\$ 60.00
JUSTIN BATTLES	01-511-5326	PER DIEM FOR CONFERENCE	\$ 120.00
TIM ROONEY	01-511-5326	PER DIEM FOR CONFERENCE	\$ 120.00
MUNICIPAL CODE CORP	01-511-5353	ADMINISTRATIVE SUPPORT	\$ 320.84
MUSTANG APPRAISAL INC.	01-511-5353	APPRAISAL ON PROPERTY	\$ 400.00
		DEPT TOTAL	\$ 1,020.84
RISK MANAGEMENT FUND	01-512-5114	WORKERS COMP FEES	\$ 10.00
		DEPT TOTAL	\$ 10.00
RISK MANAGEMENT FUND	01-513-5114	WORKERS COMP FEES	\$ 125.00
ALL STORAGE	01-513-5353	STORAGE SERVICES	\$ 87.00
		DEPT TOTAL	\$ 212.00
OK MUNICIPAL LEAGUE	01-515-5323	OC&T UPDATE	\$ 65.00
OME - GENESIS OF OKLAHOMA	01-515-5311	LEASE PAYMENT ON U.B. STUFFING MACHINE	\$ 1,351.68
OK MUNICIPAL LEAGUE	01-515-5323	ANNUAL SERVICE FEES	\$ 13,380.85
AHA CONSULTING, INC	01-515-5327	ANNUAL WEBSITE HOSTING & MAINT. SUPPORT	\$ 3,000.00
OMAG	01-515-5350	GENERAL LIABILITY INSURANCE	\$ 28,915.00
OMAG	01-515-5351	AUTO & EQUIPMENT LIABILITY INSURANCE	\$ 10,697.50
OMAG	01-515-5355	PROPERTY INSURANCE	\$ 44,186.00
INCODE	01-515-5360	UB AND COURT ONLINE COMPONENTS SUPPORT	\$ 250.00
ALL STORAGE	01-515-5391	STORAGE SERVICES	\$ 133.00
KG SC HOLDINGS, LLC	01-515-5398	CASH SAVER PAYBACK INCENTIVE	\$ 5,000.00
KG HOLDINGS, LLC/WEP	01-515-5398	STAGE PAYBACK INCENTIVE	\$ 4,833.34
FIRST AMERICAN TITLE INS.	01-515-5940	CLOSING COSTS - EOC LAND	\$ 5,000.00
FIRST AMERICAN TITLE INS.	01-515-5940	PURCHASE EOC LAND	\$ 325,000.00
		DEPT TOTAL	\$ 441,812.37
RISK MANAGEMENT FUND	01-518-5114	WORKERS COMP FEES	\$ 25.00
		DEPT TOTAL	\$ 25.00
RISK MANAGEMENT FUND	01-519-5114	WORKERS COMP FEES	\$ 60.00
		DEPT TOTAL	\$ 60.00
RISK MANAGEMENT FUND	01-520-5114	WORKERS COMP FEES	\$ 250.00
		DEPT TOTAL	\$ 250.00
RISK MANAGEMENT FUND	01-521-5114	WORKERS COMP FEES	\$ 45.00
PITNEY BOWES	01-521-5371	SMART MAILER - U.B. BILLS	\$ 1,693.44
		DEPT TOTAL	\$ 1,738.44
RISK MANAGEMENT FUND	01-531-5114	WORKERS COMP FEES	\$ 75.00
OMIA	01-531-5310	CEU'S FOR RONALD HARNES	\$ 150.00
		DEPT TOTAL	\$ 225.00
RISK MANAGEMENT FUND	01-541-5114	WORKERS COMP FEES	\$ 745.00
SLEUTH	01-541-5360	ANNUAL SLEUTH SOFTWARE SUPPORT	\$ 8,528.00
CLIFFORD	01-541-5371	ANNUAL MAINTENANCE RENEWAL FOR GENERATOR	\$ 814.00
		DEPT TOTAL	\$ 10,087.00
RISK MANAGEMENT FUND	01-542-5114	WORKERS COMP FEES	\$ 10.00
OACA	01-542-5310	REGISTRATION FEE FOR OK ANIMAL CONTROL ASSOC.	\$ 400.00
		DEPT TOTAL	\$ 410.00
RISK MANAGEMENT FUND	01-551-5114	WORKERS COMP FEES	\$ 890.00
		DEPT TOTAL	\$ 890.00
GENERAL FUND TOTAL			\$ 478,665.65

FY 18

VENDOR NAME	ACCOUNT #	DESCRIPTION	AMOUNT
REGINA JENNINGS	07-507-507-3630	GUEST SPEAKER HONORARIUM	\$ 100.00
		DEPT TOTAL	\$ 100.00
LIBRARY FUND TOTAL			\$ 100.00

FY 18

VENDOR NAME	ACCOUNT #	DESCRIPTION	AMOUNT
HUDIBURG CHEVROLET	39-542-5971	2016 SILVERADO 2500 2WD DOUBLE CAB	\$ 23,000.00
		DEPT TOTAL	\$ 23,000.00
LIMITED PURPOSE FUND TOTAL			\$ 23,000.00

FY 18

VENDOR NAME	ACCOUNT #	DESCRIPTION	AMOUNT
ASSOCIATED UNDERWRITERS, INC.	69-500-5391	ANNUAL EXCESS WORKERS COMPENSATION	\$ 70,153.00
		DEPT TOTAL	\$ 70,153.00
RISK MANAGEMENT FUND TOTAL			\$ 70,153.00

CITY OF MUSTANG
AGENDA ITEM COMMENTARY

- 1. ITEM NO.** F-4
- 2. MEETING DATE:** July 3, 2017
- 3. TITLE:** Discussion, Consideration and Possible Action Regarding Declaring Asset as Surplus and Authorizing Disposal of Such Asset
- 4. COUNCIL ACTION:** Approve/Deny
- 5. INITIATOR:** Janet Watts, Finance Director
- 6. BACKGROUND:**
The Animal Control Vehicle (2005 Chevy ½ Ton Truck) was totaled on June 6, 2017, VIN 1GCEC14V25E285948.
- 7. FINANCIAL IMPACT:**
- 8. STAFF COMMENTS:**
Recommendation for Council approval to declare asset as surplus in accordance with city/state regulations.
- 9. STAFF SOURCE:** Robert Groseclose, Police Chief
- 10. ORDINANCE /RESOLUTION NO.**
- 11. Attachment:**
Schedule of Surplus Listing - Capital Assets - Governmental Type

CITY OF MUSTANG
SCHEDULE OF SURPLUS - CAPITAL ASSETS
For the year ending June 30, 2018

FA Number	Governmental Assets Description:	Expense		VIN	Council Approval To Surplus	Primary Location	Original Cost	Accum Depr		Approval Date	Notes
		Account	Cat					Write Off Amount	Fully Deprec		
1652	2005 CHEVY 1/2 TON REG CAB PICKUP TRUCK, UNIT #915	01-541	40	1GCEC14V25E285948	YES	ACO	14,652.49	14,652.49	0.00	07/03/2017	DISPOSE
Total:							14,652.49				

CITY OF MUSTANG
AGENDA ITEM COMMENTARY

1. ITEM NO. F-5

2. MEETING DATE: July 3, 2017

3. TITLE:

Discussion, Consideration and Possible Action to Approve Resolution No. 18-001 for a Budget Supplemental in the Limited Purpose Fund for the Fiscal Year 2017-2018.

4. COUNCIL ACTION: Approve/Deny

5. INITIATOR: Janet Watts, Finance Director

6. BACKGROUND:

The Animal Control Vehicle (2005 Chevy ½ Ton Truck) was totaled on June 6, 2017, VIN 1GCEC14V25E285948. The Police Department received \$7,417.17 from GEICO as to the value of the loss of the vehicle.

A supplemental appropriation to increase the Limited Purpose Fund in the amount of \$7,418 to be appropriated in fiscal year 2018.

7. FINANCIAL IMPACT:

8. STAFF COMMENTS:

9. STAFF SOURCE: Robert Groseclose, Chief of Police

10. ORDINANCE /RESOLUTION NO. 18-001

RESOLUTION NO. 18-001

A RESOLUTION TO MAKE CHANGES IN THE LIMITED PURPOSE FUND BUDGET BY MAKING A SUPPLEMENTAL APPROPRIATION TO INCREASE THE 2017-2018 FISCAL YEAR BUDGET BY \$7,418.

WHEREAS, The Animal Control Vehicle (2005 Chevy ½ Ton Truck) was totaled on June 6, 2017, VIN 1GCEC14V25E285948. The Police Department received \$7,417.17 from GEICO as to the value of the loss of the vehicle;

WHEREAS, the Council desires to appropriate funds;

NOW THEREFORE, BE IT RESOLVED, by the Council that the following supplemental appropriation be made:

SUPPLEMENTAL APPROPRIATION

Revenues:	
Miscellaneous – Insurance Reimbursement (39-45193)	\$7,418
Expenditures:	
Services/Equipment (39-542-5971)	<u>\$7,418</u>
Total:	<u>\$7,418</u>

This is to certify that the above and foregoing Resolution was dully **ADOPTED** and **APPROVED** by the Mayor and City Council on this **3rd** day of **July 2017**.

Mayor

ATTEST:

City Clerk

CITY OF MUSTANG

AGENDA ITEM COMMENTARY

- 1. ITEM NO.** F-6
- 2. DATE:** JULY 3, 2017
- 3. TITLE:** Approval to turn past due utility accounts over to the collection agency
- 4. COUNCIL ACTION:** Approve or Deny
- 5. INITIATOR:** Janet Watts, Finance Director
- 6. BACKGROUND:** The attached utility accounts are past due and need to be sent to collections. Total balance is \$931.56 excluding collection agency fees.
- 7. STAFF SOURCE:** Janet Watts, Finance Director
- 8. FINANCIAL IMPACT:** Bad debt write-off of \$931.56
- 9. STAFF COMMENTS:** Recommends turning accounts over to collections.
- 10. CITY ATTORNEY'S COMMENTS:**
- 11. RESOLUTION/ORDINANCE NO.** N/A

JANA FERRELL - COLLECTIONS

07/03/2017

ACCOUNT NUMBER	NAME	SERVICE ADDRESS	MAILING ADDRESS	BALANCE	AGENCY FEE	TOTAL FEE
22-0475-05	ENGLAND, MICHAEL R JR	321 E TWELVE OAKS TERR MUSTANG, OK 73064	9900 W HIGHWAY 66 APT 2404 YUKON, OK 73099	\$ 48.15		
START DATE:						
FINAL DATE:						
50-0013-00	GARRETT, CAROLYN R	350 S AQUA CLEAR DR MUSTANG, OK 73064	350 S AQUA CLEAR DR MUSTANG, OK 73064	\$ 232.70		
START DATE:						
FINAL DATE:						
18-0263-01	GLENN, KIMBERLIE	1416 N EUZELLA TERR MUSTANG, OK 73064	5637 SNADERLING RD OKC, OK 73179	\$ 187.52		
START DATE:						
FINAL DATE:						
13-0057-04	LONG, JAYDA	409 W CHANTILLY WAY MUSTANG, OK 73064	1831 W UNION PL COLLINSVILLE, OK 74021	\$ 75.13		
START DATE:						
FINAL DATE:						
06-0413-16	MIDDLETON, JEREMIE	910 W PRAIRIE WIND WAY MUSTANG, OK 73064	910 W PRAIRIE WIND WAY MUSTANG, OK 73064	\$ 170.88		
START DATE:						
FINAL DATE:						
17-0250-05	WORTHY, JESSICA BUKKE, GABRIEL	612 E LINDEN LN MUSTANG, OK 73064	11712 SW 25TH TERR YUKON, OK 73099	\$ 17.97		
START DATE:						
FINAL DATE:						
10-0107-10	YOUNG, DERRICK	642 W ELDER DR MUSTANG, OK 73064	800 W CALIFORNIA AVE OKC, OK 73106	\$ 199.21		
START DATE:						
FINAL DATE:						

ACCOUNTS: 7

TOTALS: \$ 931.56 \$ 326.05 \$ 1,257.61

CITY OF MUSTANG
AGENDA ITEM COMMENTARY

1. **ITEM NO.** F-7
2. **MEETING DATE:** July 3, 2017
3. **TITLE:** Approval to turn past due library accounts over to collection agency.
4. **COUNCIL ACTION:** Approve/Deny
5. **INITIATOR:** Janet Watts, Finance Director
6. **BACKGROUND:**
The attached library accounts are past due and need to be sent to collections.
The total balance is \$542.83 excluding collection agency fees.
7. **FINANCIAL IMPACT:**
Inventory loss of \$542.83
8. **STAFF COMMENTS:** Recommend Approval
9. **STAFF SOURCE:** Desiree Webber, Library Director
10. **CITY ATTORNEY COMMENTS:**
11. **RESOLUTION/ORDINANCE NO.** N/A

Council Copy
Accounts Sent to Collections
for June, 2017

	A	B	C	D	E
1	Acct #	NAME/RESPONSIBLE PARTY	CITY, STATE, ZIP	BOOK BALANCE	
2	0070524	Shawn Robert Ruston	Mustang, OK 73064	\$57.44	
3	0070604	Alexis Rhea Moore	Mustang, OK 73064	\$103.88	
4	0070299	Joshua David Bookout	Yukon, OK 73099	\$51.98	
5	0070552	Sierra B. Blankenship	Mustang, OK 73064	\$90.82	
6	0070521	Edward R. Bennett	Blanchard, OK 73010	\$183.86	
7	0068225	Angela Rojas Aguirre Rojas	Mustang, OK 73064	\$54.85	
8					
9					
10					
11					
12			TOTAL FOR INDIVIDUALS	\$542.83	
13					
14			TOTAL FOR ILL	0.00	
15					
16			OVERALL TOTAL	542.83	
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					

City of Mustang
City Council
Agenda Item Commentary

1. ITEM NO. F-8
2. MEETING DATE: July 5, 2017
3. TITLE: Approval to renew the Public Works Contract between the Department of Corrections and the City of Mustang
4. COUNCIL ACTION: Approve/Deny
5. INITIATOR: Justin Battles, Assistant City Manager
6. BACKGROUND:

The attached agreement is an annual agreement signed yearly allowing the City of Mustang to utilize inmate labor primarily at the Wild Horse Park sports facilities during non-function hours for maintenance. Agreement also allows for workers to aide in public works during regular hours for mowing and other duties. Agreement would be for July 3, 2017 through June 30, 2018.
7. FINANCIAL IMPACT: \$10,080
8. STAFF COMMENTS: Staff recommends approval
9. STAFF SOURCE: Justin Battles, Assistant City Manager

PRISONERS PUBLIC WORKS PROJECT CONTRACT

This contractual agreement (hereinafter, **Contract**) is entered into by, and between, the Oklahoma Department of Corrections (hereinafter, **Department**) and the undersigned Oklahoma governmental agency or political subdivision, **City of Mustang** (hereinafter, **Public Agency**), upon written request by a majority of the board of county commissioners, the governing body of a municipality, an agency of the State of Oklahoma or of the United States, any subdivision thereof, or any community action agency for prisoners to be assigned to a Public Works Project. The written request is attached to this agreement and incorporated by reference.

This Contract is authorized by 57 O.S. § 215 et seq. entitled "The Prisoners Public Works Act."

For and in consideration of the following terms, conditions, and covenants, the parties herein agree as follows:

1. The Public Agency covenants that it is a public entity authorized under 57 O.S. § 216(2) to request a Public Works Project and the Public Works Project will meet the requirements of the Prisoners Public Works Act.
2. The term of this Contract will be for a period beginning on July 1, 2017 and ending on June 30, 2018.
3. The prisoners assigned to the Public Works Project under this Contract will be prisoners from the following correctional center: Union City Community Corrections Center.
4. The Public Agency has requested 7 (#) prisoners to be assigned to the Public Works Project and the Department will generally make said number of prisoners available to the Public Agency.
5. The prisoners assigned to this Public Works Project will have the following responsibilities:
Inmates will be utilized to perform trash pick-up, weed eating, mowing, baseball field preparations and street maintenance.
Any other duties added shall be in accordance with the regulations outlined in DOC-OP-090106.
The above explanation should include a brief description of the Public Works Project indicating the location and type of work required. If more room is required, additional pages may be attached to this Contract.
6. The Public Agency agrees to pay to the Department \$120.00 per month per prisoner (the number stated in paragraph 4). This amount includes the base cost and a ten percent administrative fee.
7. The Department will not provide the transportation to and from the work site of the prisoners assigned to the Public Works Project.

8. The Department will not provide supervision of prisoners assigned to the Public Works Project.
9. The Department will provide lunches to the prisoners, unless otherwise agreed.
10. The Public Agency will provide work orders, job duties/assignments, any training to the prisoners and will provide a safe working environment. The Public Agency will furnish all materials and tools necessary for the Public Works Project, unless otherwise agreed.
11. The Public Agency agrees to use prisoners assigned to the Public Works Project on public property only, except that prisoner labor may be used on private property for a public purpose. Labor conducted on private property must be approved by the Department prior to commencement of any work on private property. Public purpose is hereby defined as a purpose generally affecting the public good of the inhabitants of the state or political subdivision. The prisoners will be utilized as a group for this purpose and not as individuals.
12. The Public Agency will not use the prisoners to provide personal services for private benefit or to supervise other prisoners. The Public Agency will allow the Department to conduct unscheduled periodic visits to the Public Works Project work site to monitor the prisoners and contract compliance.
13. The Public Agency will, upon request, relinquish any assigned prisoner to the custody of the Department.
14. For community placement prisoners, the Public Agency agrees to cooperate and provide prisoner counts and close supervision of the prisoner's whereabouts. The supervisor will visually observe each prisoner at least every hour, and a formal count will be conducted and documented in a log book every two (2) hours.
15. For minimum security prisoners, the Public Agency agrees that the supervisor will visually observe each prisoner at least every half hour, and that a formal count will be conducted and documented in a log book every two (2) hours.
16. The Public Agency will immediately notify the Department and the local law enforcement agency of any missing or unaccounted for prisoner or if the Public Agency believes a prisoner has escaped.
17. The Public Agency will immediately report to the Department any guideline or rule violation, as provided for in Attachment F of OP-090106.

18. The Department shall invoice the Public Agency every month by electronic mail (e-mail) to the e-mail address provided in Paragraph 37, and the Public Agency shall pay such invoices within thirty (30) days from the date of the invoice. Any invoice not paid within sixty (60) days from the date of the invoice may result in the Public Agency not be permitted to receive prisoners under this contract until all outstanding invoices are paid in full.
19. No prisoner assigned to a Public Works Project will be considered an employee of the requesting Public Agency, the Department, or the State of Oklahoma.
20. The Department will have the ultimate responsibility for the security of the prisoners.
21. The director of the Department or his designee will, at all times during the term of this Contract, have full jurisdiction and authority, to include immediate access, over the discipline and control of the prisoners performing work on the Public Works Project. Unsatisfactory job performance will be documented and reported to the Department by a representative of the Public Agency.
22. The prisoners, while assigned to the Public Works Project, will, for the purpose of punishment for escape, be deemed to be on trusty status and will be under the custody and control of the Department. The limits of the place of confinement are extended under the special conditions of Public Works Project pursuant to 57 O.S. § 510.1 (A) (4).
23. The Department will select and assign eligible prisoners to work for the Public Agency. The prisoners, while assigned to the Public Works Project, will be exempt from the provisions of the Worker's Compensation Act, (85A O.S. § 1 et seq.).
24. The Department will be responsible for the cost of medical and dental health care needs of the prisoners while assigned to the Public Works Project, including emergencies while assigned to the public works project, unless otherwise provided for in this Contract.
25. The Public Agency will be responsible to reimburse the Department for the cost of any required outside medical and/or dental care (including emergency care), which will include the cost of emergency transportation, if a prisoner assigned to the Public Works Project is injured while performing work for the Public Agency and the injury occurred as a result of the intentional, reckless, or negligent conduct of an employee or agent of the Public Agency.
26. The Public Agency will not allow any prisoner to operate or use any type of equipment unless and until the Public Agency has fully trained the prisoner in the proper and safe use of the equipment, and has

documented records to support said training. Training associated with the use of lawn equipment; power tools and hand tools must meet OSHA and Department of Labor standards, and this training can be conducted without the Department's review of the curriculum. Training associated with the use of any heavy equipment e.g., backhoes, dozers, tractors and implements, frontend loaders, excavators, skid loaders etc. will require the Public Agency to provide the training curriculum to the Department for approval prior to the Public Agency training and allowing inmates to use this equipment. Under no circumstances will the Public Agency allow a prisoner to operate any equipment which has had the manufacturer's safety devices modified or removed, nor will the Public Agency allow any prisoner to operate any dangerous or unsafe equipment. The Public Agency will not allow a prisoner to operate any equipment without first providing and requiring the prisoner to wear protective equipment in accordance with Occupational Safety and Health Administration standards when operating any equipment. The Public Agency will also not allow a prisoner to operate any motor vehicle upon the public roadways at any time.

27. In the event a prisoner is injured while operating equipment or motor vehicle in violation of this Contract, the Public Agency will be responsible to reimburse the Department for the cost of any and all required outside medical and/or dental care (to include emergency care), which will include the cost of emergency transportation to and from the outside medical provider, and the Public Agency will be liable for all other damages resulting from said violation.
28. The Department will provide the Public Agency with copies of relevant Department policies and operations procedures that are applicable, as well as the training and orientation required for proper implementation and security.
29. The Public Agency, unless otherwise agreed, will provide work shifts of no longer than eight (8) working hours and will utilize prisoners for no more than eight (8) hours per shift. The normal working hours will be between 0700 and 1800 hours each working day. Any additional or different work shifts required will necessitate approval by the warden or administrator of the prisoner's correctional facility and be documented and attached as an addendum to this Contract.
30. Either party may immediately terminate this Contract for the failure of the other party to perform or comply with the terms and conditions contained herein. Any damages will be authorized by law in a court of competent jurisdiction, except attorney's fees and related legal costs, which will be borne by each party separately. Both parties, in determining failure to perform under this Contract, will consider any mitigating circumstances.

31. In the event a bona fide dispute or a conflict of interest arises between the parties, which cannot be resolved through reasonable diligence, either party may request mediation under the Oklahoma Dispute Resolution Act, 12 O.S. § 1801 et seq., as amended. Such request will not be unreasonably refused by the other party. The parties agree that the cost of this process will be borne separately by each party. Any dispute will not affect the performance requirements and duties of this Contract. The Contract will remain in full force and effect unless otherwise terminated or agreed to between the parties.
32. The Public Agency is required to retain records relative to the Contract for the duration of the Contract and for a period of seven (7) years following completion or termination of the Contract. If a claim, audit, litigation or other action involving such records is started before the end of the seven-year period, the records are required to be maintained for two (2) years from the date that all issues arising out of the action are resolved, or until the end of the seven (7) year retention period, whichever is later.
33. If any provision, clause, or paragraph of this Contract or any document incorporated by reference is determined to be invalid by a court of competent jurisdiction, such determination will not affect the other provisions, clauses, or paragraphs of this Contract. The provisions, clauses, or paragraphs, and any documents incorporated by reference are declared severable.
34. This Contract will be governed by the laws of the State of Oklahoma, with the venue for any action to be in Oklahoma County.
35. Either party may terminate this Contract, in whole or in part, for convenience, if it is determined that termination is in its best interest. The terminating party shall deliver to the other party a written notice of termination for convenience specifying the terms and effective date of termination. The Contract termination date shall be a minimum of thirty (30) days from the date the notice of termination is issued by the terminating party.
36. The terms of this contract may only be amended by agreement of the parties and in writing.
37. All notices required in this Contract will either be mailed (certified with return receipt requested) or emailed to the addresses of the parties set forth below:

For the Department:

David A. Cincotta
General Counsel
3400 Martin Luther King Ave.

For the Public Agency:

Justin Battles
Assistant City Manager, City of Mustang
1501 N. Mustang Road

Oklahoma City, OK 73111
David.cincotta@doc.ok.gov
(Include email address)

Mustang, OK 73064
jbattles@cityofmustang.org
(Include email address)

38. This Contract may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same document. This Contract may be delivered by e-mail.
39. The representative executing this Contract on behalf of the Public Agency hereby warrants that said representative has the authority to execute and bind the Public Agency.
40. The representative executing this Contract on behalf of the Public Agency certifies that the prisoner labor shall not displace any employment opportunities for private citizens of the State of Oklahoma and that the Public Agency has insufficient funds available to perform the work set forth in this Contract.
41. The Public Agency will not allow an employee or agent of the Public Agency to direct, manage or supervise a prisoner assigned to work on behalf of the Public Agency until the employee or agent has completed all training required by the Department's Operating Procedure OP-090106.
42. The Public Agency agrees that prisoners shall not be permitted to work in or around any area in which minor children are located.
43. INDEMNIFICATION
 - a. Without waiving any defense or immunity, and subject to the Governmental Tort Claims Act, the Public Agency agrees to bear all expenses, fines, judgments, and cost(s), including its own attorney fees, which may arise from any and all acts of its officials, agents, and employees in relation to the performance or nonperformance of the Agreement.
 - b. Without waiving any defense or immunity, and subject to the Governmental Tort Claims Act, the Department agrees to bear all expenses, fines, judgments, and cost(s), including its own attorney fees, which may arise from any and all acts of its officials, agents, and employees in relation to the performance or nonperformance of the Agreement.
44. PRISON RAPE ELIMINATION ACT (§115.17 and §115.77)
 - a. Any sexual assault or sexual misconduct or attempted sexual assault or sexual misconduct between the Public Agency, its employees, agents, or representative and a prisoner is expressly forbidden.

- b. In addition, by entering into this Contract with Department, Public Agency attests that no employee, agent or representative of the Public Agency who may have direct contact with the prisoners while performing the requirements of this contract has:
- i. Engaged in sexual abuse in a prison, jail, lockup, community confinement facility, juvenile facility, or other institution (as defined in 42 U.S.C. 1997);
 - ii. Been convicted of engaging or attempting to engage in sexual activity in the community facilitated by force, overt or implied threats of force, or coercion, or if the victim did not consent or was unable to consent or refuse; or
 - iii. Been civilly or administratively adjudicated to have engaged in the activity described above. Any employee or agent of Public Agency who engages in sexual abuse will be prohibited from contact with prisoners and will be reported to law enforcement agencies and to relevant licensing bodies.
- c. Any violation of this provision will be reported to law enforcement agencies and to relevant licensing bodies and will result in the filing of criminal charges as warranted. The Department may also terminate the contract immediately when violations are found.

45. Signatures:

Department:

Approved By: _____ Date: _____

Name: _____

Title: _____

Public Agency:

Approved By: _____ Date: _____

Name: _____

Title: _____

City of Mustang
City Council
Agenda Item Commentary

1. ITEM NO. F-9
2. MEETING DATE: July 3rd, 2017
3. TITLE: School Resource Officer – Annual Agreement
4. COUNCIL ACTION: Approve/Deny
5. INITIATOR: Timothy Rooney, City Manager
6. BACKGROUND: Attached, for your information and review, is a proposed agreement between the City of Mustang and Mustang Public Schools for the purpose of providing two School Resource Officers (SRO) for the FY18 upcoming school year, each day the school is in session, which is a total of 173 instructional days.

Mustang Public School Board approved this agreement June 27th 2017.
7. FINANCIAL IMPACT: If agreement is approved, the City of Mustang would be reimbursed a total amount of \$136,019 of a total cost of \$204,016 for these two positions.
8. STAFF COMMENTS: Staff recommends City Council approval of the School Resource Officer Agreement.
9. STAFF SOURCE: Robert Groseclose, Police Chief
10. RESOLUTION / ORDINANCE: None

**AGREEMENT BETWEEN THE CITY OF MUSTANG
AND MUSTANG PUBLIC SCHOOL SYSTEM
2017-2018 SCHOOL YEAR**

This agreement entered into between the City of Mustang ("CITY") and the Independent School District No. I-069, Mustang Public School System ("SCHOOL");

Whereas, the SCHOOL has need for two or more full-time, on duty police officers to serve Mustang Public Schools, High School/Middle School campus in the boundaries of the CITY each day school is in session; and

Whereas, the CITY has determined that it is in the best interest of students and residents to provide protection services to the SCHOOL for the purposes, terms and conditions as stated herein;

Witnesseth, for the consideration as stated herein, the parties agree as follows:

1. The CITY will furnish the services of two (2) experienced Mustang police officers to the SCHOOL no earlier than 7:30 a.m. and no later than 4:30 p.m. each day SCHOOL is in session during the 2017-2018 SCHOOL year, a total of 173 instructional days. The officers will work four 8 ½ hour days & one 8 hour day within the stated time frame with a lunch break in accordance with established policy of the Mustang Police Department. If an unforeseen event occurs where one or both of the assigned officers cannot be present, the CITY will not furnish a substitute officer for that designated period. The CITY agrees to refrain from scheduling both officers off at the same time for training or any other regular foreseen event, unless a substitute officer is scheduled. The CITY further agrees to consult with the SCHOOL principal regarding scheduling of required training and other necessary foreseen events.
2. Both parties will approve the designation of the police officers assigned to the SCHOOL under the terms of this contract. The SCHOOL may request the replacement of the assigned officer, for cause, with thirty (30) days written notice to the Chief of Police, unless this requirement is waived at the sole discretion of the Chief of Police.
3. The primary duty of the assigned officers is to provide community policing law enforcement services on campus, including crime deterrence, crime detection, criminal investigation and apprehension of offenders. It is expressly provided that the services described in this Agreement will not include assignments or duties occurring outside the hours set forth herein or outside the municipal boundaries of the CITY. The CITY is committed to having on duty Mustang police officers working in the SCHOOL to deliver community policing law enforcement services and is willing to work with the SCHOOL to provide additional officers as requested by the SCHOOL when police staffing allows.
4. It is fully understood and agreed by the parties that the assigned officers are, at all times pertinent to this agreement, police officers certified by the State of Oklahoma, commissioned and employed by the CITY. The assigned officers will, at all material times, be under the supervision of the Mustang Police Department. Direction, assignments and duties involving the officers will be coordinated between an appointed representative of the SCHOOL and the Mustang Chief of Police or his/her designee. The assigned officers shall at no time be considered to be in the chain of command of any SCHOOL administrator, or in any other way have their law enforcement actions controlled by any SCHOOL official or employee.
5. The SCHOOL will make reasonable efforts to provide the assigned officers an office area with appropriate furnishings where he/she would be available to students and or perform tasks related to this assignment.

6. In consideration for the services provided through this Agreement, the SCHOOL agrees to pay the CITY a total amount of \$136,019.00 limited to 2017-18 SCHOOL year only, which is the approximate salary, benefits and expenses to the CITY for two (2) experienced police officers for 173 instructional days. This amount will be paid in nine (9) equal monthly payments, payable on the day following the regular scheduled board meeting for the previous month's services. The first payment will be due on or before September 15, 2017.
7. Should the CITY'S full-time commissioned police officer staffing decrease to a level which jeopardizes the safe and efficient delivery of critical police services to the CITY; the Chief of Police shall retain the right to suspend the school resource officer program in whole or in part based upon the staffing shortage. Reasonable efforts shall be made to maintain the officer assigned to Mustang High School. The SCHOOL at that time agrees to pay the CITY, \$68,009.50, the approximate annual salary for one (1) experienced school resource officer, limited to 2017-18 SCHOOL year only. The terms of payment shall be as agreed upon in paragraph six (6) of this agreement.
8. This agreement may be canceled by either party upon thirty (30) days written notice to the Chairman of the governing body of the other party.
9. The CITY appoints the Chief of Police and the SCHOOL appoints the Superintendent as their respective designees for carrying out the terms of this Agreement, including the assignment of duties to the assigned police officer.

Mayor, City of Mustang

Date



President of Mustang Board of Education



Date

PROCLAMATION

WHEREAS parks and recreation programs are an integral part of communities throughout this country, including the City of Mustang;

WHEREAS our parks and recreation are vitally important to establishing and maintaining the quality of life in our communities, ensuring the health of all citizens, and contributing to the economic and environmental well-being of a community and region; and

WHEREAS parks and recreation programs build healthy, active communities that aid in the prevention of chronic disease, provide therapeutic recreation services for those who are mentally or physically disabled, and also improve the mental and emotional health of all citizens; and

WHEREAS parks and recreation programs increase a community's economic prosperity through increased property values, expansion of the local tax base, increased tourism, the attraction and retention of businesses, and crime reduction; and

WHEREAS parks and recreation areas are fundamental to the environmental well-being of our community; and

WHEREAS parks and natural recreation areas improve water quality, protect groundwater, prevent flooding, improve the quality of the air we breathe, provide vegetative buffers to development, and produce habitat for wildlife; and

WHEREAS our parks and natural recreation areas ensure the ecological beauty of our community and provide a place for children and adults to connect with nature and recreate outdoors; and

WHEREAS the U.S. House of Representatives has designated July as Parks and Recreation Month; and

WHEREAS as the City of Mustang recognizes the benefits derived from parks and recreation resources;

NOW THEREFORE, BE IT RESOLVED BY the Mayor and Mustang City Council that July is recognized as

“PARK AND RECREATION MONTH”

in the City of Mustang.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Mustang to be affixed this 3rd day of July, 2017.

Mayor

ATTEST:

City Clerk

CITY OF MUSTANG
AGENDA COMMENTARY

1. ITEM: H-1

2. MEETING DATE: July 3, 2017

3. TITLE: Contract approval for operation, maintenance, and management of the water and wastewater treatment facilities for the City of Mustang

4. COUNCIL ACTION: Approve/Deny

5. INITIATOR: Justin Battles, Assistant City Manager

6. BACKGROUND:

The City of Mustang and its engineering firm, Cowan Engineering, published public notice for company's interested in submitting qualifications and proposals for operations, maintenance, and management of the water and wastewater treatment facilities. Three proposals were received, accepted, and awarded to the lowest qualified bidder. The contract for these services is attached.

Severn Trent - \$1,592,750.00

7. FINANCIAL IMPACT: \$1,592,750.00

8. STAFF'S COMMENTS: Staff recommends approval of the contract.

9. STAFF SOURCE: Justin Battles, Assistant City Manager

AGREEMENT FOR OPERATION, MAINTENANCE, AND
MANAGEMENT SERVICES FOR
WATER AND WASTEWATER TREATMENT PLANTS,
COLLECTION AND DISTRIBUTION SYSTEMS
AND METER READING BETWEEN

THE MUSTANG IMPROVEMENT AUTHORITY

AND

SEVERN TRENT ENVIRONMENTAL SERVICES, INC.

July 4, 2017

OPERATION AND MAINTENANCE SERVICE AGREEMENT

THIS AGREEMENT is entered into as of the 3rd day of July, 2017, and effective the 4th day of July, 2017, by and between:

Mustang Improvement Authority, a public trust created under the laws of the State of Oklahoma ("AUTHORITY") whose sole beneficiary is the City of Mustang, Oklahoma, a municipal corporation created under the laws of the State of Oklahoma, ("CITY"), both with a principal address at 1501 N. Mustang Road, Mustang, Oklahoma 73064 (collectively hereinafter, "OWNER");

and

Severn Trent Environmental Services, Inc., a Texas corporation authorized to do business in Oklahoma, with its principal place of business at 2002 West Grand Parkway North, Suite 100, Katy, TX, 77449 (hereinafter "CONTRACTOR").

WITNESSETH:

WHEREAS, the CITY owns, and the AUTHORITY leases and contracts for the operation and maintenance of, certain land, buildings and equipment which include but are not limited to water wells, water distribution systems, sewage lift stations, water collection systems, wastewater treatment facilities, and maintenance facilities more particularly described in APPENDIX B, Facilities and Facilities Description;

WHEREAS, AUTHORITY desires to utilize the services of CONTRACTOR in the operation, maintenance and management of the Facilities, all as more specifically set forth herein, and the CONTRACTOR desires to provide such services to AUTHORITY for the compensation provided herein.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants and conditions contained herein, **IT IS HEREBY AGREED:**

**ARTICLE I
GENERAL PROVISIONS**

- 1.1 DEFINITIONS. Definitions of words or phrases used in this Agreement are contained in *APPENDIX A, DEFINITIONS*.
- 1.2 FACILITIES OWNERSHIP. All land, buildings, Facilities, easements, licenses, rights- of-way and related equipment presently or hereinafter acquired or owned by the OWNER shall remain the exclusive property of OWNER unless specifically provided for otherwise in this Agreement.
- 1.3 GOVERNING LAW. This Agreement shall be governed by and interpreted in accordance with the Laws of the State of Oklahoma applicable to contracts made and performed entirely within this State and to municipalities and public trusts. The parties agree that venue for any legal action relating to or arising out of this Agreement shall lie in the District Court in and for Canadian County, Oklahoma.
- 1.4 BINDING EFFECT AND ASSIGNMENT. Neither party may assign this agreement without the prior written consent of the other party; provided, CONTRACTOR may assign this Agreement, without OWNER's prior consent, in conjunction with a merger, consolidation or sale of substantially all of the assets of CONTRACTOR. CONTRACTOR shall provide prior written notice to OWNER of any such transfer, along with evidence of the technical and financial ability of the transferee. Any other transfer or assignment by either CONTRACTOR or OWNER of this agreement shall be null and void unless authorized by the other party in writing prior to any assignment. This Agreement shall be binding on each of the parties' successors and assigns.
- 1.5. NOTICES. All notices shall be in writing and transmitted to the parties at the addresses set forth below. All notices shall be deemed effective and given (a) when delivered, if delivered personally or by courier mail service, i.e., Federal Express or United Parcel Service; or (b) three (3) days after such notice has been deposited in the United States mail, postage prepaid, if mailed by certified mail, return receipt requested; or (c) when received by the party to which notice is directed, if given in any manner other than as set forth in (a) and (b), above. The addresses for notice are:

If to CONTRACTOR, at:

Dennis Merrill
Severn Trent Environmental Services, Inc.
520 W SW 59th Street
Mustang, Oklahoma 73064

If to AUTHORITY or CITY, at:

Tim Rooney, City Manager
Mustang Improvement Authority
1501 N. Mustang Road
Mustang, Oklahoma 73064

With a copy to:

Jonathan E. Miller, City Attorney
Wheatley, Segler, Osby & Miller, LLC
501 West Main Street
Yukon, Oklahoma 73099

The parties may change the persons and addresses to receive notice by providing written notice to the other party of such change, and providing the name and address of the replacement person designated to receive notice.

- 1.6 ENTIRE AGREEMENT. This Agreement, including the Appendices attached hereto, sets forth the entire and complete understanding between the parties as of the date of this Agreement and supersedes any and all agreements and representations made or dated prior hereto. This Agreement may be modified only by a written agreement signed by both parties.
- 1.7 SEVERABILITY. If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.
- 1.8 INDEPENDENT CONTRACTOR. It is understood that the relationship of CONTRACTOR to OWNER is that of independent contractor. Neither CONTRACTOR nor its officers, agents or employees shall at any time identify themselves or in any way represent themselves as being employees or agents of CITY or of AUTHORITY. Neither party, one to the other, shall be considered a consumer nor a merchant pursuant to any consumer or trade practice law or regulation, and the parties specifically agree that the application of any such laws or regulations to the terms and conditions herein is inappropriate. The services provided under this Agreement are of a professional nature and shall be performed in accordance with good and accepted industry practices for contract operators similarly situated.
- 1.9 OPERATING REPRESENTATIVE. Prior to the commencement of work under this Agreement, CONTRACTOR shall designate in writing an employee or other representative who shall have full authority to approve changes in the Scope of Work and compensation therefore, execute written Change Orders reflecting such changes, render decisions promptly, and furnish information expeditiously to OWNER when necessary ("CONTRACTOR Operating Representative").

OWNER shall designate in writing an employee or other representative who shall have

authority to approve minor changes in the Scope of Work which do not involve additional compensation to CONTRACTOR and who shall promptly bring to the attention of OWNER for consideration any major changes in the Scope of Work or any change in the Scope of Work which would involve additional compensation to CONTRACTOR ("OWNER Operating Representative").

- 1.10 OPERATING PROCEDURE. Notwithstanding anything to the contrary provided in this Agreement or otherwise, the parties agree that all Facilities activity and decisions will be made by and communicated through the Operating Representatives appointed by the parties pursuant to Subsection 1.9 above. CONTRACTOR agrees that it shall submit to AUTHORITY a purchase order, on a form approved by AUTHORITY, for all costs and expenditures to be applied toward the Annual Maintenance and Repair Limit. If AUTHORITY and OWNER Operating Representative approve of the CONTRACTOR's purchase order, then the expenditure and/or cost will be made or incurred. If the AUTHORITY or OWNER Operating Representative deny the purchase order or shall fail to respond to the request within ten (10) days, CONTRACTOR shall promptly resubmit the request for approval to OWNER Operating Representative and to the City Manager of CITY. If no response is made by the City Manager within five (5) days from the date the request is delivered, the request shall be deemed denied by AUTHORITY, in the same manner as if the request had been formally denied in writing.

ARTICLE II
CONTRACTOR SCOPE OF SERVICES – GENERAL

- 2.1 CONTRACTOR SCOPE OF SERVICES - GENERAL. Except as otherwise provided in this Article 2, from the Commencement Date and thereafter during the term of this Agreement, CONTRACTOR shall:
- 2.1.1 Provide full-service 24-hour-per-day, 7 days per week operations and maintenance ("O&M") management, including grounds maintenance (within the fenced area securing the Facilities) of the utility Facilities (including, but not limited to, treatment plants, distribution, cleaning and operation of collection, distribution and discharge lines and pumps, hydrants and meters, storage tanks, pump stations, storage ponds, wells, lift stations and booster facilities) in accordance with generally accepted industry principles and practices, within the utility Facility design capacity and capabilities, in full compliance with all applicable Federal, State and local, regulations, policies, rules and permits and any associated time schedules.
- 2.1.2 Within the design capacity and capability of the water wells, and subject to the limitations as described in Appendix B, Facilities and Project Description, CONTRACTOR shall operate, maintain and manage the water wells for the purpose of water production and distribution within the requirements of the Public Water Supply Regulations, as they existed and were last amended by the Oklahoma Department of Environmental Quality. In the event that the Public Water Supply Regulations are amended, CONTRACTOR shall continue to operate, maintain and manage the water wells within the requirements of the amended Public Water Supply Regulations; provided, to the extent that the operation, maintenance and management of the water wells is more expensive to CONTRACTOR because of the amended Public Water Supply Regulations, the difference in this cost of such continued operation, maintenance and management may be deemed a Change of Law within the Scope of Services provided in this Agreement and compensated as provided in paragraph 2.15.
- 2.1.3 Provide a 24-hour-per-day, 7 days a week emergency response through the Mustang Police Department dispatch which customers use to report a problem in the utility system. CONTRACTOR's personnel will respond to calls consistent with policies to be determined by the AUTHORITY, as amended from time to time, which shall include responding to all emergency events within one hour or sooner as necessary to ensure, if at all possible, the continued provision of water supply and wastewater collection and treatment in a quantity and quality consistent with Federal, State and local laws, regulations and permits. Water service shall only be turned on or off at the direction of the OWNER Operating Representative, except for temporary interruption of service as required for repairs or emergency response.
- 2.1.4 Line blockages will BE RESPONDED to within one hour of the CONTRACTOR being notified that a blockage exists. All equipment for wastewater collection system maintenance will be provided by CONTRACTOR. The CONTRACTOR will be responsible for any fees charged for disposal of debris associated with line cleaning.

- 2.1.5 CONTRACTOR will operate the Facilities to minimize and avoid, to the extent reasonably practicable, noise and odor disruption to adjacent neighborhoods, and will create an odor control plan and a noise reduction policy with six (6) months from the Commencement Date.
- 2.1.6 O&M shall include all preventive, predictive and corrective maintenance and all repairs of utility equipment, COLLECTION AND DISTRIBUTION SYSTEM lines and facilities, buildings, fencing, paving, landscaping and all other related utility facilities, including, but not limited to fire hydrants and water meters. The cost of maintenance and repairs shall be the responsibility of the CONTRACTOR, except the total obligation of the CONTRACTOR for repairs will not exceed the Annual Maintenance and Repair Limit. Should the CONTRACTOR reach the Annual Maintenance and Repair Limit, the AUTHORITY reserves the right to require approval of any and all maintenance and repair costs and purchases by the CONTRACTOR necessary for O&M. O&M shall not include video inspection of wastewater collection system lines, unless requested by OWNER and treated as an Additional Expense under paragraph 2.15.
- 2.1.7 CONTRACTOR shall be responsible for repair of all leaks up to and including the shutoff valve on the discharge of the water meter (any work past the shutoff valve will require prior approval of the AUTHORITY). Any leaks after the water meter shutoff valve are the responsibility of the homeowner.
- 2.1.8 Maintain all Facilities in a clean, neat and orderly fashion, with all floors and other work spaces free of sewage, screenings, sludge and debris, and equipment, tools, materials and supplies properly stored.
- 2.1.9 Maintain all manufacturers' warranties on and maintenance of current equipment and any new equipment purchased by or on behalf of AUTHORITY for the water or wastewater utilities and the Facilities.
- 2.1.10 Dewatering and disposing of sludge produced at the wastewater treatment plant, in accordance with all Federal, State, and local laws, regulations and permits, shall be the responsibility and expense of CONTRACTOR. The AUTHORITY shall retain ownership of and responsibility for any and all Facilities wastewater sludge and byproducts. Removal of the sludge from the wastewater treatment plant, testing, transportation and disposal will be the responsibility of the CONTRACTOR. Note: sludge shall be produced regularly and monthly reports will be required.
- 2.1.11 Perform all monitoring, sampling, testing, analyses and reporting, as necessary, for compliance with all Federal, State and local laws, regulations, permits and administrative court orders, and provide a regular program for sampling, testing and analyses ("Quality Control/Quality Assurance Program"). The cost of any additional monitoring, sampling, testing, analyses and reporting requirements imposed in addition to those in current laws, regulations and permits will be borne by the AUTHORITY, and if directed by the AUTHORITY, performed by the

CONTRACTOR with the cost thereof to be paid as provided under paragraph 2.15 of this Agreement.

- 2.1.12 Prepare, sign and timely submit to the Federal, State or other appropriate agencies, all O&M, monitoring, performance, Consumer Confidence Reports, and any other permits required by Federal, State or other agencies or by law, permit or court or administrative order for all Public Works Services. Any cost, fine or penalty imposed as a result of CONTRACTOR's failure to comply with these requirements shall be paid by CONTRACTOR.
- 2.1.13 Staff the Facilities with adequate personnel with appropriate State required certifications and qualified in technical, laboratory and administrative/management issues to satisfy or exceed regulatory requirements and provide O&M services and all other related and required services within the Scope of Services under this Contract.
- 2.1.14 Provide all equipment, tools, consumables, and vehicles necessary to perform this Agreement. CONTRACTOR shall be responsible for the purchase and maintenance of all equipment, tools, consumables and vehicles necessary to perform this Contract, which costs are not included in the Annual Maintenance and Repair Limit.
- 2.1.15 Purchase and maintain throughout the contract term an adequate inventory of parts, supplies, and materials for AUTHORITY owned facilities and equipment sufficient to ensure no interruption of service or failure to comply with Federal, State and local laws, regulations, and permits. All such parts, supplies, and materials, and an inventory thereof shall be accessible by CONTRACTOR. The cost of the items necessary to achieve the foregoing will be considered Maintenance and Repair and included within the Annual Maintenance and Repair Limit.
- 2.1.16 CONTRACTOR shall be responsible for any and all costs associated with the O&M of the Facilities (except as otherwise provided herein), including, but not limited to, the payment of all wages, salaries and benefits of CONTRACTOR's personnel and the cost of all consumables such as fuels, chemicals, equipment, tools, and supplies required for O&M; provided that all electric power, natural gas and water utility costs will be paid by the AUTHORITY.
- 2.1.17 Implement and/or continue a computerized maintenance and management program suitable for the size and complexity of AUTHORITY's Facilities (hereinafter the "Computerized Maintenance and Management Program"). The Computerized Maintenance and Management Program must include the following: 1) provide for the systematic evaluation of daily plant performance and be used to promote communications and continuity of performance; and 2) provide and maintain a well-documented record of operations, maintenance, repair, laboratory, personnel, training, safety, process control, daily inspections, alarms and any other significant events, issuance of work orders and purchase orders and a spare parts inventory. Yearly asset management report to include pictures of all major processes. All records and data (with the exception of personnel records) within the Computerized Maintenance Management Program will be the property of the AUTHORITY.

- 2.1.18 Develop and maintain all required Emergency Response, Hazardous Materials and OSHA plans, procedures and programs as specified by Federal, State and local law, regulations, permits or administrative orders and such additional plans, procedures and programs as may be necessary to detail contingencies to handle conditions that would threaten the provision of utility services consistent with Federal, State and local laws, regulations, permits, and administrative orders. CONTRACTOR shall coordinate with AUTHORITY and CITY as necessary to include such response in CITY's Emergency Operations Plan.
- 2.1.19 Subject to regulatory water quality standards, maintain water flow in an amount and pressure as reasonably specified by the AUTHORITY to provide adequate fire protection pursuant to the Master Plan or other applicable documents.
- 2.1.20 Read all water meters monthly, on a schedule provided by Authority, and turn water service on and off to the customer as directed by the AUTHORITY consistent with policies and procedures approved by the AUTHORITY, and provide required data to the AUTHORITY billing department in a form suitable to AUTHORITY for the creation of monthly utility bills; and service, repair or replace water meters as required to keep the water meter reading system functioning properly; provided the AUTHORITY will be responsible for the replacement of the handheld meter reading units and the upkeep, maintenance and licensing of meter reading software. CONTRACTOR will maintain a minimum of two (2) fulltime staff to be dedicated for meter reading services required to be performed under this Contract.
- 2.1.21 Pay any regulatory fines and penalties assessed against the AUTHORITY for non-compliance with any Federal, State or local law, regulation, permit condition or provision of any administrative or court order, when such fine or penalty results from the negligent acts, failure to act or willful misconduct of CONTRACTOR.
- 2.1.22 Provide the AUTHORITY, at least annually, a capital improvement program recommendation, identifying needed system expansions, major repairs and other expenditures in excess of One Thousand and no/100 Dollars (\$1,000) each that will be necessary for the Facilities in order to restore, maintain, replace or upgrade the equipment or other aspects of the Facilities for efficiency, safety, functionality and/or compliance with current and anticipated regulatory or customer growth requirements.
- 2.1.23 Prepare the annual water system Consumer Confidence Report, in a form as approved by the AUTHORITY, including providing all relevant data and paying all printing and mailing costs.
- 2.1.24 Perform other services resulting from a change in Scope of Services under subparagraph 2.2, below.
- 2.2 CHANGE IN SCOPE OF SERVICES. To the extent that the operation, maintenance and management of the Facilities becomes more expensive to CONTRACTOR as a result of a Change of Law, the additional cost of the continued operation, maintenance and management of the Facilities shall be deemed an Unforeseen Circumstance and the additional costs incurred by CONTRACTOR shall be governed by the provisions of Subsection 2.15 below.

CONTRACTOR may, within reason, alter the process and/or Facilities to achieve the objectives of this Agreement. No alteration shall be made without AUTHORITY's written approval. In the event that AUTHORITY shall deny such approval, CONTRACTOR shall not perform the proposed alteration and shall have no further liability or responsibility pursuant to this Agreement or otherwise resulting from the failure to perform such alteration or the consequences thereof, but CONTRACTOR shall continue to perform this Agreement as provided in *Appendix B, "Facilities and Project Description."*

- 2.3 MAINTENANCE AND REPAIR. CONTRACTOR shall perform all maintenance and repairs for the Facilities at CONTRACTOR's cost and expense up to the Annual Maintenance and Repair Limit; provided, that CONTRACTOR shall submit a purchase order and secure prior written approval of AUTHORITY for each cost or expenditure to be applied toward the Annual Maintenance and Repair Limit, which approval shall not be unreasonably withheld. In the event that AUTHORITY shall deny any approval required hereunder, CONTRACTOR shall not perform such Maintenance and/or Repair work. CONTRACTOR shall submit a monthly accounting to AUTHORITY summarizing all Maintenance and Repair Expenditures. CONTRACTOR acknowledges that its labor costs for routine, repetitive and predictive Maintenance and Repair activities are included in and considered a part of its Annual Fee. If items of Repair and/or Maintenance are extraordinary or beyond the capacity or knowledge reasonably expected of CONTRACTOR employees exclusively assigned to the Facilities, CONTRACTOR may hire subcontractors with the prior approval of AUTHORITY, which approval shall not be unreasonably withheld, to perform such Maintenance and/or Repair work, and the cost of such subcontractor shall be included as part of the Annual Maintenance and Repair Limit.
- 2.4 WARRANTY MAINTENANCE. CONTRACTOR shall be responsible for maintaining all manufacturers' warranties on new equipment purchased by OWNER and assist OWNER in enforcing existing equipment warranties and guarantees.
- 2.5 PREVENTIVE MAINTENANCE DOCUMENTATION. CONTRACTOR shall provide OWNER with full documentation that preventive maintenance is being performed on OWNER's owned equipment, in accordance with manufacturer's recommendations or Prudent Industry Practices, at intervals and in sufficient detail as may be determined by OWNER. The Computerized Maintenance and Process Controls must include documentation of corrective and preventive maintenance and a spare parts inventory.
- 2.6 STAFFING. At the Commencement Date, CONTRACTOR will staff the Facilities and related equipment with an appropriate staffing level of employees who have met appropriate licensing and certification requirements of the State of Oklahoma and who are capable and demonstrate experience necessary to operate and maintain the Facilities. CONTRACTOR will maintain appropriate staffing levels for its obligations under this Contract. In the event that a position is vacated, CONTRACTOR will use reasonable efforts to timely fill the vacated position.
- 2.7 TRAINING. CONTRACTOR shall provide ongoing training and education for appropriate personnel in all necessary areas of modern wastewater process control, operations, maintenance, safety, supervisory skills, laboratory, energy management and other skills

necessary to prudently perform the services required under this Agreement.

- 2.8 EMPLOYEE SAFETY PROGRAM. CONTRACTOR will implement and maintain an employee safety program in compliance with applicable laws, rules and regulations and make recommendations to OWNER regarding the need, if any, for OWNER to rehabilitate, expand or modify the Facilities to comply with governmental safety regulations applicable to CONTRACTOR's operations hereunder and federal regulations promulgated pursuant to the ADA. Nothing herein shall be construed to place upon CONTRACTOR a duty to find and report violations of either the safety laws or the ADA at the Facility.
- 2.9 FACILITIES ACCESS. Visits may be made at any reasonable time by OWNER's employees so designated by OWNER Operating Representative. Keys for the Facilities shall be provided to OWNER Operating Representative by CONTRACTOR for such visits. All visitors to the Facilities, who are not OWNER's employees or representatives, shall comply with CONTRACTOR's operating and safety procedures. OWNER's employees will comply with OWNER's operating and safety procedures.
- 2.10 CHEMICALS INVENTORY. CONTRACTOR will provide OWNER with a physical inventory of chemicals and other consumables on hand when CONTRACTOR begins services under this Agreement. CONTRACTOR will provide OWNER with the same quantity of chemicals or equivalent upon termination of this Agreement.
- 2.11 FACILITIES MANAGER. On the Commencement Date, CONTRACTOR shall provide to AUTHORITY, in writing, the name of its Facilities Manager.
- 2.12 COMPLIANCE WITH LAW. Subject to the limitations specifically provided in this Agreement, CONTRACTOR shall comply with all provisions of Applicable Law related to the operation and maintenance of the Facilities.
- 2.13 RECORD KEEPING. CONTRACTOR shall maintain all records, invoices, documents and data concerning the Maintenance and Repair of the Facilities in a format acceptable to, and approved by, AUTHORITY. The AUTHORITY may inspect and copy all such records, invoices, documents and data during normal business hours. CONTRACTOR will make all documents available to third parties to the extent required by the Oklahoma Open Records Act, 51 O.S. §24A.1, et seq.
- 2.14 SEWER BACK-UP RESPONSE PROCEDURES. CONTRACTOR shall establish (i) a routine, normal sewer line preventive maintenance program, and (ii) response procedures to be implemented in the event of any sewer back-up. The response procedures shall, at a minimum, consist of the following:
- (a) Upon receipt of a resident notice, CONTRACTOR will determine whether the cause of the sewer back-up was an obstruction in Mustang's lateral line or the resident's service line;
 - (b) CONTRACTOR and OWNER will mutually develop response procedures in event of a back-up in a commercial or resident sewer line. The response procedures will be subject

to revision from time to time by agreement of OWNER and CONTRACTOR.

- 2.15 ADDITIONAL SERVICES. As directed by AUTHORITY and agreed to by CONTRACTOR, or otherwise in the event of the occurrence of a Change of Law or an Unforeseen Circumstance, CONTRACTOR shall perform additional services and/or incur additional costs in connection with performing services falling within those identified in Section 2.1 above or elsewhere in this Agreement with the prior approval of AUTHORITY. It is recognized and agreed by the parties that such services shall be deemed an addition to the Scope of Services required to be performed by CONTRACTOR for the Facilities under the terms of this Agreement and that such additional services will be billed by CONTRACTOR to AUTHORITY at cost together with Mark-Up for overhead and profit, except for the cost of utilities which shall be paid directly by AUTHORITY and/or the CITY, without any mark-up by CONTRACTOR.
- 2.16 MODIFICATION. Subject to the provisions of 2.2 and 2.3, CONTRACTOR may modify the process and/or Facilities to achieve the objectives of this Agreement and charge the Costs to the Annual Maintenance and Repair Limit. CONTRACTOR must obtain prior approval of AUTHORITY for any proposed modification to the process and/or Facilities.
- 2.17 EMERGENCY MODIFICATION. Subject to the provisions of 2.3, for all emergency situations posing an imminent threat, or potential damage, injury or loss which would affect the safety of persons or property, and all protective measures have been exhausted, CONTRACTOR may act without written approval of proposed costs or expenditures to prevent threatened damage, injury or loss. CONTRACTOR shall seek, to the extent practicable, verbal approval from AUTHORITY for the cost and expense of response. To the extent any response to an emergency is not within the Scope of Services defined under Articles I and 3, CONTRACTOR shall be compensated by AUTHORITY for any such emergency work under the provisions of paragraph 2.15 notwithstanding the lack of a written amendment once it has been determined that the emergency work performed by CONTRACTOR is not within the Scope of Services defined specifically in Articles 2 and 3 and was reasonably required to avert imminent threat or potential damage, injury or loss which would affect the safety of persons or property with the facts known at the time the action is taken.
- 2.18 REDUCTION OF SERVICE. Should OWNER choose to install an automated meter reading system, OWNER reserves the right, upon sixty (60) days notice, to withdraw the meter reading (AMR) services specified in subparagraph 2.1.23 from the Scope of Services to be provided by CONTRACTOR hereunder. CONTRACTOR would still be responsible for all other meter-related services set forth under subparagraph 2.1.23, which would include service, repair and/or replacement of AMR equipment. In addition, CONTRACTOR would be required to perform meter re-reading services, as needed from time to time. In event OWNER withdraws the dedicated meter reading services specified in subparagraph 2.1.23 from the Scope of Services hereunder, the Annual Fee to be paid under this Contract shall be reduced by the amount identified as attributable to dedicated meter reading services in Article 5, subparagraph 5.1.1.

ARTICLE III
CONTRACTOR SCOPE OF SERVICES- WATER AND WASTEWATER

- 3.1 APPLICABILITY. This Article shall apply to CONTRACTOR's operation, maintenance and management services for OWNER's water and wastewater treatment Facilities.
- 3.2 WASTEWATER FACILITIES. Within the design capacity and capabilities of the Facilities and subject to the limitations as described in Appendix B, Facilities and Facilities Description, CONTRACTOR will manage, operate and maintain OWNER's Wastewater Facilities so that effluent discharged from the Facilities meets the requirements of the discharge permits specified in *Appendix C, OPDES Permits and Facilities Characteristics - Wastewater Treatment*. Appropriate amounts of degreaser will be used to manage grease in lift stations.
- 3.3 WATER FACILITIES. Within the design capacity and capability of the water wells, and subject to the limitations as described in Appendix B, Facilities and Project Description, CONTRACTOR shall operate, maintain and manage the water wells for the purpose of water production and distribution within the requirements of the *Public Water Supply Regulations*, as they existed and were last amended by the Oklahoma Department of Environmental Quality. In the event that the *Public Water Supply Regulations* are amended, CONTRACTOR shall continue to operate, maintain and manage the water wells within the requirements of the amended *Public Water Supply Regulations*; provided, to the extent that the operation, maintenance and management of the water wells is more expensive to CONTRACTOR because of the amended *Public Water Supply Regulations*, the difference in this cost of such continued operation, maintenance and management may be deemed a Change of Law within the Scope of Services provided in this Agreement and compensated as provided in paragraph 2.15.
- 3.4 MAINTENANCE AND REPAIR. CONTRACTOR will perform all Maintenance and Repairs for the Facilities up to the Annual Maintenance and Repair Limit. CONTRACTOR shall submit a purchase order and secure written approval of AUTHORITY and the OWNER Operating Representative for each item of Maintenance and Repair prior to incurring such expense or cost. In the event that AUTHORITY and OWNER's Operating Representative shall deny the written approval required hereunder, CONTRACTOR shall not perform the Maintenance or Repair of the Facilities. If, in the opinion of CONTRACTOR, the failure to perform the item of Maintenance or Repair of the Facilities which was denied by AUTHORITY and the OWNER Operating Representative creates a risk to the health or safety of the residents of CITY or a risk of physical damage to the Facilities or their operations, CONTRACTOR will notify the City Manager of CITY and if no action is taken by the City Manager to approve such item within twenty-one (21) days, CONTRACTOR shall not have any responsibility or liability resulting from the failure to perform the denied item of Maintenance or Repair or the consequences thereof; CONTRACTOR shall continue to perform the remainder of this Agreement in accordance with its terms. CONTRACTOR will notify AUTHORITY when actual Maintenance and Repair expenditures equal eighty percent (80%) of Annual Maintenance and Repair Limit. CONTRACTOR shall submit a monthly accounting of the Annual Maintenance and Repair Limit expenditures to AUTHORITY. All consumables (oil, filters, grease, fluids, paint, and fuses) for vehicles and equipment owned by CONTRACTOR are included in the Annual Fee, and are not part of the Annual

Maintenance and Repair Limit.

- 3.5 PERMITS AND SERVICES. CONTRACTOR shall pay for permit cost for wastewater and water permits, storm water permits, state lab fees, water Consumer Confidence Report ("CCR" development/mail distribution, and public notice publications for any violation.) CONTRACTOR shall conduct Bac-T testing for new construction in CITY based on fifty (50) collections a year.
- 3.6 NO TITLE. At no time shall CONTRACTOR be deemed to have taken title to any influent, effluent, biologically toxic or regulated substances, bio-solids sludge, solids, untreated wastewater, raw water, screenings, grit, sludges or any other materials or substances in process at any of the Facilities.
- 3.7 LAWN MAINTENANCE. CONTRACTOR will provide lawn maintenance of all Facilities (within the fenced area securing the Facilities) which will be kept in a groomed, mowed and edged state. Appropriate levels of herbicide will be used to maintain weeds.
- 3.8 MAINTENANCE OF TELEMETRY SYSTEM. CONTRACTOR will be responsible for maintaining current telemetry system in all locations, including maintenance of any license requirements for any radios and software. All telemetry system hardware and software shall remain the property of CITY. CONTRACTOR shall be responsible for employing qualified personnel to maintain telemetry system hardware and software. OWNER shall have remote read access to telemetry system at all times during the term of this Agreement. Any repairs to the telemetry system shall be considered a Maintenance and Repair Expenditure within the Annual Maintenance and Repair Limit.
- 3.9 FINES. CONTRACTOR shall be solely responsible for any fines, civil penalties, costs or expenses resulting from CONTRACTOR's negligent acts, failure to act or willful misconduct of CONTRACTOR.

ARTICLE IV AUTHORITY DUTIES

- 4.1 CAPITAL EXPENDITURES. AUTHORITY shall either make or pay the cost of all Capital Expenditures which are reasonably recommended by CONTRACTOR within a reasonable time of such recommendation or accept the responsibility for not making such Capital Expenditures.
- 4.2 RECOMMENDED CAPITAL IMPROVEMENTS. Within ninety (90) days from the effective date hereof, CONTRACTOR will provide a listing of recommended capital improvements required for the Facilities. CONTRACTOR will not be relieved of its responsibility to perform if the recommendations are not implemented; provided, however, that capital improvement necessary to: (i) meet effluent requirements; (ii) meet federal, state or local laws, rules or regulations for the safety of persons in or about the Facilities; or (iii) meet ADA requirements, shall not be optional for AUTHORITY. If approved, AUTHORITY will make arrangements for the design and construction of said improvements.
- 4.3 CAPITAL EXPENDITURES. AUTHORITY shall fund all necessary Capital Expenditures. Priority shall be given to safety and the ADA related expenses. Any loss, damage, or injury resulting from AUTHORITY's failure to provide capital improvements and/or funds in excess of the Annual Maintenance and Repair Limit, when reasonably requested by CONTRACTOR, shall be the sole responsibility of AUTHORITY.
- 4.4 RECOMMENDED CAPITAL PLAN. CONTRACTOR will provide an updated recommended five (5) year capital plan by June 30th of each Contract Year, and will reasonably work with the AUTHORITY's Director and/or its designated engineer in development of the plans.
- 4.5 FACILITY MODIFICATIONS. CONTRACTOR will coordinate modifications to the Facilities required to comply with OSHA standards.
- 4.6 WARRANTIES AND GUARANTEES. OWNER shall keep in force all Facilities warranties, guarantees, easements and licenses that have been granted to OWNER and are not transferred to CONTRACTOR under this Agreement.
- 4.7 BILLING AND COLLECTION FOR PUBLIC WORKS SERVICES. OWNER shall perform all billing and collections of accounts for Public Works Services.
- 4.8 TAXES. OWNER shall pay all sales, excise, ad valorem, property, franchise, and disposal taxes, or other taxes associated with equipment and materials purchased for the OWNER.
- 4.9 SALES AND USE TAXES. In the event CONTRACTOR is required to pay any sales tax or use taxes on the value of the services provided by CONTRACTOR hereunder or the services provided by any subcontractor of CONTRACTOR, such payments shall be reimbursed by the OWNER, unless AUTHORITY furnishes a valid and properly executed exemption certificate under 68 O.S. §1356 relieving AUTHORITY and CONTRACTOR of the obligation for such taxes. In the event AUTHORITY furnishes an exemption certificate which is invalid or not applicable to services by CONTRACTOR, CONTRACTOR shall pay any taxes, interest,

penalties, and increment costs, expenses or fees which may occur as a result.

- 4.10 UTILITY COSTS. AUTHORITY shall be responsible for and shall directly pay the cost of natural gas, electricity and water. In the event that CONTRACTOR must pay for any such costs, they will be reimbursed by AUTHORITY.
- 4.11 PAYMENT OBLIGATIONS. AUTHORITY shall pay CONTRACTOR in accordance with the terms of this Agreement. CONTRACTOR recognizes and expressly agrees that CITY is not a co-obligor, surety or guarantor of any payment to CONTRACTOR hereunder.
- 4.12 COST OF COMPLIANCE. AUTHORITY shall be responsible for paying all Cost associated with bringing the Facilities into compliance with any modifications or additions to environmental laws that are made effective during the term of this Agreement. AUTHORITY acknowledges and agrees that AUTHORITY shall be responsible for any fines or civil penalties imposed by any regulatory or enforcement agencies directly resulting from AUTHORITY's failure to meet any such requirements.
- 4.13 COOPERATION. AUTHORITY shall cooperate with CONTRACTOR in any reasonable manner necessary in order to allow CONTRACTOR to diligently and efficiently discharge its obligations under this Agreement.

ARTICLE V COMPENSATION

- 5.1 COMPENSATION. AUTHORITY shall pay CONTRACTOR compensation for services provided herein equal to the sum of the following:
- 5.1.1 ANNUAL FEE. CONTRACTOR's compensation under this Agreement shall consist of an Annual Fee. For the first year of this Agreement, CONTRACTOR's Annual Fee is One Million Five Hundred Ninety Two Seven Hundred Fifty and No/100 Dollars (\$1,592,750.00), of which amount One Hundred Four Thousand Nine Hundred Fifty-Nine and No/100 Dollars (\$104,959.00) is for dedicated water meter reading services required to be performed under subparagraph 2.1.23. The Annual Maintenance and Repair Limit is One Thousand Seventy Five Thousand and No/100 Dollars (\$175,000.00) and is included as part of the Annual Fee. In event a Contract Year consists of less than twelve months, payments provided under this Agreement shall be prorated for a proportion of the Contract Year.
- 5.1.2 APPROVED MAINTENANCE AND REPAIR EXPENDITURES. If actual Maintenance and Repair expenditures are less than the Annual Maintenance and Repair Limit for any Contract Year, CONTRACTOR will rebate the entire difference to AUTHORITY in accordance with paragraph 6.1.3. If actual and approved Maintenance and Repair expenditures exceed the Annual Maintenance and Repair Limit, AUTHORITY will pay the excess to CONTRACTOR. CONTRACTOR will notify OWNER when actual Maintenance and Repair expenditures equal eighty percent (80%) of the Annual Maintenance and Repair Limit.
- 5.1.3 CHANGE IN SCOPE OF SERVICE. Any compensation due from AUTHORITY to CONTRACTOR as a result of the change in the Scope of Services to be provided by CONTRACTOR to AUTHORITY shall be paid as provided in Article 6, below.
- 5.1.4 ADJUSTMENT TO ANNUAL FEE. The Annual Fee shall be adjusted each year at least four (4) months prior to the anniversary of the Commencement Date. The Annual Fee for a succeeding Contract Year will be determined by the application of the Consumer Price Index for all Urban Consumers – Water and Sewerage Maintenance for the U.S. City Average (1982-84=100), as published by the U.S. Department of Labor, Bureau of Labor Statistics. The Annual Maintenance and Repair Limit shall increase or decrease by a percentage equal to the change in the Annual Fee. The first adjustment to the Annual Fee and Annual Maintenance and Repair Limit shall not occur until four (4) months prior to the Contract Year beginning July 1, 2018.

ARTICLE VI
PAYMENT OF COMPENSATION

- 6.1 PAYMENTS TO CONTRACTOR. CONTRACTOR shall prepare an invoice in a format acceptable to AUTHORITY and submit the invoice to AUTHORITY either on or before (i) the 1st day of the calendar month in the month during which the services are being performed, or (ii) the Wednesday preceding the first Tuesday of the month before the month during which the services are being performed, whichever earlier occurs. The compensation to be paid by AUTHORITY to CONTRACTOR shall be made as follows:
- 6.1.1 MONTHLY PAYMENT. One-twelfth (1/12) of the Annual Fee for the current Contract Year shall be due and payable on or before the 15th day of the month during each month that services are provided.
- 6.1.2 OTHER COMPENSATION. All other compensation to CONTRACTOR is due upon receipt of CONTRACTOR's invoice and payable within thirty (30) days.
- 6.1.3 RETURN OF MAINTENANCE AND REPAIR. Any monies payable pursuant to Subsection 5.1.2 will be paid within sixty (60) calendar days after the end of each Contract Year.
- 6.2 INTEREST ON OVERDUE BALANCE. AUTHORITY shall pay interest at an annual rate of two percent (2.0%), said rate of interest not to exceed any limitation provided by law, on payments not paid and received within sixty (60) calendar days of the due date, such interest being calculated from the due date of the payment. In the event the charges hereunder might exceed any limitation provided by law, such charges shall be reduced to the highest rate or amount within such limitation.
- 6.3 PRORATION. In event a Contract Year includes less than twelve months, the amount of the Annual Fee and the Annual Maintenance and Repair Limit shall be prorated for the proportional Contract Year.

**ARTICLE VII
CHANGES IN SCOPE OF SERVICE**

- 7.1 CHANGE IN SCOPE OF SERVICES. A Change in Scope of Services shall occur when and as CONTRACTOR's costs of providing services under this Agreement change as a result of:
- 7.1.1 Any change in Facility operations, personnel qualifications or staffing or other cost which is a result of an Unforeseen Circumstance or Change of Law; or
 - 7.1.2 Any change in the services provided by CONTRACTOR as described in Articles 2 and 3, as requested and approved by OWNER.
- 7.2 ADJUSTMENT TO ANNUAL FEE. Upon approval of OWNER to Changes in Scope, described in Subsections 7.1.1 and 7.1.2, the Annual Fee shall be increased (or decreased) by an amount equal to CONTRACTOR's additional (reduced) Cost associated with the Change in Scope plus (minus) Mark-Up.

ARTICLE VIII
INDEMNITIES, LIABILITY AND INSURANCE

- 8.1 INDEMNIFICATION BY CONTRACTOR. CONTRACTOR hereby agrees to indemnify and hold AUTHORITY and CITY harmless from any liability or damages for bodily injury, including death, which may arise from CONTRACTOR's negligence or willful misconduct under this Agreement. CONTRACTOR shall indemnify and hold AUTHORITY and CITY harmless from and against all mechanic's and materialman's liens which may be filed against the Facilities as a direct result of the performance of Scope of Services by CONTRACTOR hereunder, and CONTRACTOR shall cause any such lien to be discharged of record through bonding or otherwise within thirty (30) days of the date of filing of such lien of record.
- 8.2 WAIVER OF CERTAIN DAMAGES: To the extent allowable by applicable law and notwithstanding any provision to the contrary contained in this Agreement, in no event shall either party be liable, either directly or indirectly, for any special, punitive, indirect and/or consequential damages, including damages attributable to loss of use, loss of income or loss of profit even if such party has been advised of the possibility of such damages.
- 8.3 INSURANCE. CONTRACTOR shall obtain and maintain insurance coverage of a type and in the amounts described in *Appendix D, Insurance Coverage*. CONTRACTOR shall maintain broad form property insurance in order to protect both parties against any such loss, and provide OWNER with satisfactory proof of insurance.
- 8.4 SURVIVAL OF INDEMNIFICATION. Indemnity agreements provided for in this Agreement shall survive the termination of the Agreement, for the period of time allowed by the applicable statute of limitation during which the claim creating the indemnity obligation may be filed with a court of competent jurisdiction.
- 8.5 PERFORMANCE BOND. CONTRACTOR shall provide and maintain throughout the term of this Agreement a performance, payment, and guarantee bond of a type described in *Appendix E, "Performance Bond"* and in an amount equal to CONTRACTOR's Annual Fee under this Agreement.
- 8.6 CONTRACTOR LIABILITY FOR CIVIL PENALTIES. CONTRACTOR shall be liable for those fines or civil penalties imposed by a regulatory or enforcement agency for violations occurring on or after the effective date of this Agreement of the effluent quality requirements provided for in *Appendix C, OPDES Permit and Facilities Characteristics - Wastewater Treatment*, resulting from the negligent acts, failure to act or willful misconduct of the CONTRACTOR. OWNER will assist CONTRACTOR in contesting any such fines in administrative and/or court proceedings prior to any payment by CONTRACTOR. CONTRACTOR shall pay the cost of any such contest.
- 8.7 OWNER LIABILITY FOR CIVIL PENALTIES. OWNER shall be liable for those fines or civil penalties imposed by any regulatory or enforcement agencies on OWNER and/or CONTRACTOR that are not required to be borne by CONTRACTOR as in paragraph 8.5.

- 8.8 OWNER WORKER'S COMPENSATION. OWNER shall maintain statutory workers' compensation for all of OWNER's employees who regularly interact with CONTRACTOR and the Facilities, in such amounts as required by the State of Oklahoma.
- 8.9 AUTHORITY'S INSURANCE. AUTHORITY shall maintain property damage insurance for property leased to or owned by AUTHORITY that is to be operated by CONTRACTOR under this Agreement. Property insurance maintained by AUTHORITY shall be in such amounts as may be determined by OWNER. Insurance required to be obtained and maintained by CONTRACTOR under his Agreement shall be primary to any insurance maintained by AUTHORITY hereunder.

ARTICLE IX
TERM, TERMINATION AND DEFAULT

- 9.1 TERM. The term of this Agreement shall be for a period of five (5) years, commencing on July 4, 2017, and ending on ~~July 30~~^{July 2}, 2022. This Agreement may be renewed for two additional five (5) year periods, or less, at the option of the parties, upon the same terms and conditions herein. The parties may terminate this Agreement prior to end of a current term only as set forth below or upon mutual agreement in writing.
- 9.2 TERMINATION. Except as otherwise set forth herein, a party may terminate this Agreement only for a material breach of the Agreement by the other party; only after giving written notice of breach; and, only after allowing the other party thirty (30) days to cure or to commence taking reasonable steps to cure the breach.
- 9.3 DEFAULT. Upon notice of termination by OWNER and at OWNER's request, CONTRACTOR shall assist OWNER in assuming operation of the Facilities. If additional Cost is incurred by CONTRACTOR at request of OWNER, OWNER shall pay CONTRACTOR such Cost-plus Mark Up for profit within thirty (30) days of invoice receipt.
- 9.4 RETURN OF FACILITIES, EQUIPMENT AND PROPERTY. Upon termination of this Agreement and all renewals and extensions thereof, CONTRACTOR will return the Facilities to AUTHORITY in the same condition as it was upon the effective date of this Agreement, ordinary wear and tear excepted. Equipment and other personal property purchased by CONTRACTOR for use in the operation or maintenance of the Facilities shall remain the property of CONTRACTOR upon termination of this Agreement, unless the property was directly paid for by OWNER, or OWNER specifically reimbursed CONTRACTOR for the cost incurred to purchase the property, or this Agreement provides to the contrary.

ARTICLE X
DISPUTES AND FORCE MAJEURE

- 10.1 DISPUTES. In the event activities by employee groups or unions cause a disruption in CONTRACTOR's ability to perform at the Facilities, OWNER, with CONTRACTOR's assistance or CONTRACTOR at its own option, may seek appropriate injunctive court orders. During any such disruption, CONTRACTOR shall operate the Facilities on a best-efforts basis until any such disruptions cease.
- 10.2 ENFORCEMENT OF AGREEMENT. If any litigation is necessary to enforce the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, which are directly attributed to such litigation, in addition to any other relief to which it may be entitled.
- 10.3 FORCE MAJEURE. Neither party shall be liable for its failure to perform its obligations under this Agreement, if such failure is due to any Unforeseen Circumstances beyond its reasonable anticipation and control. However, this Section may not be used by either party to avoid, delay or otherwise affect any payments due to the other party.

ARTICLE XI CONFIDENTIALITY

- 11.1 CONFIDENTIAL INFORMATION. To the extent permissible by law, CONTRACTOR or OWNER may from time to time disclose to the other party confidential information relating to the provision of services or the terms of this Agreement ("Confidential Information"). Neither party will disclose Confidential Information of the other to any third party, or use such Confidential Information for any purpose other than as specified herein, without the express written consent of the other party. Confidential Information does not include information: (a) generally available to or known to the public; (b) previously known to the recipient; (c) independently developed by the recipient outside the scope of this Agreement; (d) lawfully disclosed by a third party; or (e) required to be disclosed by operation of law. Upon any termination or expiration of this Agreement in accordance with its terms, each party will, within a reasonable period of time thereafter return all confidential or proprietary information received from the other party under the terms of this Agreement, except that each party may retain a legal file copy. CONTRACTOR and OWNER shall designate information as "Confidential" by placing the word "Confidential" on the page(s) containing information claimed as Confidential.
- 11.2 INTELLECTUAL PROPERTY. Any protectable intellectual property developed or used by CONTRACTOR in the course of performing the services under this Agreement shall be the exclusive property of CONTRACTOR.

**ARTICLE XII
MISCELLANEOUS**

- 12.1 AMENDMENT. This Agreement may be amended or modified only by a written document signed by both parties.
- 12.2 SEVERABILITY. If the laws of the State of Oklahoma should be construed or amended so as to make any material portion of this Agreement invalid, thereby frustrating the ability of either party to adequately perform the material terms and conditions of this Agreement, then this Agreement shall terminate upon written notice to the other party, unless the parties shall mutually agree in writing that the scope of services can be performed pursuant to those portions of the Agreement not affected by the legal determination.
- 12.3 NO ADDITIONAL RIGHTS. Nothing in this Agreement shall be construed to create in any third party or in favor of any third party any right(s), license(s), power(s) or privilege(s).
- 12.4 NO WAIVER OF IMMUNITY. Notwithstanding anything herein to the contrary, including provisions relating to required insurance coverage, neither AUTHORITY nor CITY intend to waive or limit, in any manner or purpose, any claim or sovereign immunity or the protections and limitations of the Governmental Tort Claim Act, 51 Okla. Stat. §151, et seq.

IN WITNESS WHEREOF, the CITY, the AUTHORITY and the CONTRACTOR have caused this Agreement to be signed as of the date first written above.

Attest:

Mustang Improvement Authority, an
Oklahoma Public Trust

Witness

City of Mustang, Oklahoma

Attest:

Witness

By:

Attest:

Severn Trent Environmental Services, Inc.

Witness

By:


MICHAEL ALPAGE


STEPHANE BOUVIER

Approved as to Form:

Municipal Attorney

APPENDIX A- DEFINITIONS

The following terms, when appearing in first initial capitalization in the text of this Agreement, shall, whether used in singular or plural, have the following meanings:

1. "Abnormal Substances" means substances or materials that: (i) create a fire or explosion hazard at the Facility; (ii) will cause corrosive structural damage to the Facility; (iii) contain solid or viscous pollutants in amounts which will cause obstruction to the flow in the Facility; (iv) are present in flow rates or concentrations that will cause Interference or Pass Through; (v) will result in the presence of toxic gases, vapors or fumes within the Facility in a quality that may cause acute worker health and safety problems; or (vi) will result in an alteration of the requirements or Costs for the operation or maintenance of the Facility.
2. "Adequate Nutrients" means plant influent nitrogen, phosphorus and iron contents proportional to BOD5 in the ratio of five (5) parts nitrogen, one (1) part phosphorus, and one-half (0.5) part iron for each one hundred (100) parts BOD5•
3. "ADA" shall mean the Americans with Disabilities Act, as amended from time to time.
4. "Agents" shall mean the employees, officers, agents and subcontractors of CONTRACTOR.
5. "Agreement" shall mean this Agreement for Operation, Maintenance and Management Services for Water and Wastewater Treatment Plants, Collection and Distribution Systems and Meter Reading, together with Appendices A through F, which Appendices are attached thereto and fully incorporated therein.
6. "Annual Fee" means a predetermined, fixed sum for CONTRACTOR's services. The Annual Fee includes Cost and profit.
7. "Annual Maintenance and Repair Limit" means the total amount of money allocated to Maintenance and Repair Expenditures within the Annual Fee. The Annual Maintenance and Repair Limit shall equal the sum of One Hundred Seventy Five Thousand and No/100 Dollars (\$175,000.00) during each Contract Year. Such expenditures exclude any labor costs for CONTRACTOR's staff assigned to the Facilities. CONTRACTOR's specialized maintenance personnel, not assigned to the Facilities, who provide such specialized services including, but not limited to, vibration, thermographic and electrical analyses, instrumentation maintenance and repair, will be charged to the Annual Maintenance and Repair Limit upon prior approval by AUTHORITY.
8. "Applicable Law" shall mean all those laws, rules, regulations, codes, orders, directives, guidelines, judgments, rulings, interpretations or similar requirements or actions of any federal, state, county or local government, agency or executive or administrative body of any of the foregoing, in each case that pertain to the operation or maintenance of the Facilities, the health and welfare of individuals working at or visiting the Facilities, or the collection, delivery, pretreatment, treatment, discharge, or reuse of water and/or

wastewater. This definition specifically includes the terms, conditions, requirements or schedules of any administrative or judicial settlement or enforcement related, in any way, to the Facilities or the collection, delivery, pretreatment or treatment of water and/or wastewater and to the OPDES Permit.

9. "Biologically Toxic Substances" means any substance or combination of substances contained in the plant influent in sufficiently high concentration so as to interfere with the biological processes necessary for the removal of the organic and chemical constituents of the wastewater required to meet the discharge requirements of OWNER's Certificate of Approval. Biologically toxic substances include, but are not limited to, heavy metals, phenols, cyanides, pesticides and herbicides.
10. "Capital Expenditures" means any expenditures for (1) the purchase of new equipment or facility items that cost more than Five Thousand (\$5,000) Dollars; or (2) major repairs which significantly extend equipment or facility service life and cost more than Five Thousand (\$5,000) Dollars; or (3) expenditures that are planned, non-routine and budgeted by AUTHORITY.
11. "Change of Law" is defined as the occurrence, after the date hereof, of any of the events listed in (a) through (c) below, which results in either (a) the need to make a capital improvement at any of the Facilities in order for CONTRACTOR to operate the Facilities in accordance with this Agreement and Applicable Law, or (b) a direct increase or decrease to the Cost of operating, maintaining or managing any of the Facilities, in accordance with this Agreement and Applicable Law:
 - a) there is passed or promulgated any federal, state, county or other local law, statute, ordinance, rule or regulation different from those existing on the date hereof; or
 - b) there is passed or promulgated any amendment to, or change in, any federal, state, county or other local law, statute, ordinance, rule or regulation following the date hereof; or
 - c) there comes into existence an order or judgment of any federal, state, county or local court, administrative agency or other governmental body following the date hereof containing interpretations of any federal, state, county or other local law, statute, ordinance, rule, regulation, or permit (including the OPDES Permit) relating to the operation or maintenance of the Facilities, or the health and safety of CONTRACTOR' employees that is inconsistent with generally accepted interpretation in effect on the date hereof.
12. "Change in Scope of Services" means the change in scope of services as described in Article 2.
13. "CITY" shall mean the City of Mustang, Oklahoma, a municipal corporation formed under the laws of the State of Oklahoma.
14. "Commencement Date" shall mean the effective date for commencement of operation, maintenance and management of the Facilities as set forth in Section 9.1 of this Agreement.

15. "Contract Year" means each of the CITY's fiscal years, or portion(s) thereof, during the term of this Agreement, with the first Contract Year beginning with the Commencement Date and ending on July __, 2018, and each subsequent Contract Year beginning on each and every July 1 during the term hereof.
16. "Cost" means all Direct Cost and indirect cost determined on an accrual basis in accordance with generally accepted accounting principles.
17. "Direct Cost" means the actual cost incurred for the direct benefit of the Facilities including, but not limited to, expenditures for Facilities management and labor, employee benefits, chemicals, lab supplies, repairs, repair parts, maintenance parts, safety supplies, gasoline, oil, equipment rental, legal and professional services, quality assurance, travel, office supplies, other supplies, uniforms, telephone, postage, utilities, tools, memberships and training supplies.
18. "Effective Date" means July 4, 2017.
19. "Electrical Cost" means the cost of electrical power.
20. "Facilities" means the wastewater Facilities described on *Appendix B, Facilities and Facilities Description*.
21. "Maintenance" means those routine and/or repetitive activities required or recommended by prudent industry practices or by CONTRACTOR to maximize the service life of the equipment, sewer, and Facilities.
22. "Maintenance and Repair Expenditures" shall mean any and all costs and expenditures incurred by CONTRACTOR in performing Maintenance and/or Repair work, exclusive however, of CONTRACTOR's direct labor expenses for those individuals exclusively assigned by CONTRACTOR to the Facilities and whose cost is otherwise included in the Annual Fee. Maintenance and Repair Expenditures shall include, but shall not be limited to the cost of materials, lubricants, batteries, specialized services, maintenance parts, repair parts, paint, sandpaper, sealants, belts, fuel, utilities, building and road materials, asphalt, gravel, pumps, fuses, wiring, electrical supplies, fittings, pipe, manhole castings, tools, lawn care supplies, outside maintenance subcontractors, off-site CONTRACTOR specialized maintenance personnel and equipment and rental equipment that are used for Maintenance and Repair of the Facilities. Maintenance and Repair Expenditures shall not include costs or expenditures for tools, fuel and upkeep of CONTRACTOR's equipment or vehicles. Maintenance and Repair Expenditures shall exclude Capital Expenditures, the cost of which shall be paid to CONTRACTOR in addition to the Annual Fee as provided in this Agreement.
23. "Mark-Up" shall mean ten percent (10%).
24. "Non-Processible Wastewater" means wastewater (i) which is detrimental to the operation and performance of the wastewater treatment plant Facilities, or (ii) which violates the

requirements of any provision of Applicable Law, including, without limitation, the requirements of the Sewer Use Regulation, or any other pre-treatment requirement applicable to any industrial user discharging wastewater into the CITY's sewer system, or (iii) which exceeds the design capabilities of the wastewater treatment plant Facilities as defined by the operations and maintenance manuals for such Facilities, or (iv) which does not contain Adequate Nutrients.

25. "OPDES Permit" means the OPDES Permit attached to and described in *Appendix C, "OPDES Permit and Facilities Characteristics"*.
26. "ODEQ" means the Oklahoma Department of Environmental Quality.
27. "Operating Representative" means the individual designated by the parties pursuant to Subsection 1.9 of this Agreement.
28. "Processible Wastewater" is wastewater other than Non-Processible Wastewater.
29. "Prudent Industry Practices" means those methods, techniques, standards and practices which, at the time they are employed and in light of the circumstances known or believed to exist at the time, are generally accepted as reasonably prudent in the operation maintenance of water and/or wastewater assets as practiced in the United States with respect to equipment of similar type. For the warranty period of any piece of equipment, "Prudent Industry Practices" requires those maintenance activities required to maintain in force the manufacturer's warranty.
30. "Public Works Services" shall mean all work performed to operate, maintain, and manage the following: (i) water meter readings and servicing; (ii) water and sewer line maintenance; (iii) water well operation and distribution, but not treatment; (iv) wastewater treatment and collection; and (v) the Facilities.
31. "Repairs" means those non-routine/non-repetitive activities required for operational continuity, safety and performance generally due to failure or to avert a failure of the equipment, sewer, vehicles or Facilities or some component thereof.
32. "Service Orders" shall mean those emergency response calls which are received by the AUTHORITY during normal business hours or by AUTHORITY's designated agent (at this time, the Mustang Police Department) after normal business hours, which such calls describe ongoing conditions representing a threat to CITY and/or AUTHORITY property, or the safety or well-being of residents of the CITY.
33. "Sewer Use Regulation" shall mean the CITY's applicable ordinance, order or regulation, if any, as amended from time to time during the term of this Agreement, which establishes the regulatory requirements for persons discharging wastewater to the CITY's sewer system for delivery to the wastewater Facilities.
34. "Unforeseen Circumstances" means any event or condition which has an effect on the rights or obligations of the parties under this Agreement, or upon the Facilities, which is beyond

the reasonable control of the party relying thereon and constitutes a justification for a delay in or non-performance of or increased cost of performance of an action required by this Agreement, including but not limited to (i) an act of God, landslide, lightning, earthquake, tornado, fire, explosion, flood, failure to possess sufficient property rights, acts of the public enemy, war, blockade, sabotage, insurrection, riot or civil disturbance, (ii) preliminary or final order of any local, province, administrative agency or governmental body of competent jurisdiction, (iii) any change in law, regulation, rule, requirement, interpretation or statute adopted, promulgated, issued or otherwise specifically modified or changed by any local, province or governmental body, (iv) labor disputes, strikes, work slowdowns or work stoppages, but excluding labor disputes, strikes, work slowdowns or work stoppages by employees of CONTRACTOR; and (v) loss of or inability to obtain service from a utility necessary to furnish power for the operation and maintenance of the Facilities.

APPENDIX B - FACILITIES AND FACILITIES DESCRIPTION

Facilities Description. The Facilities shall include the performance of services by CONTRACTOR in connection with the operation, maintenance and management of all land, buildings, equipment, vehicles and Facilities described below.

Method of Providing Services. The manner in which the services which constitute the Facilities will be provided are described in the technical proposal submitted by CONTRACTOR to AUTHORITY (*Appendix F, "Copy of CONTRACTOR' Technical Proposal for the Facilities"*). Copies of the technical proposal are incorporated herein by reference (excluding proposal for video of wastewater sewer line, with associated equipment and labor).

AUTHORITY and/or CITY Directives/Additional Services. AUTHORITY and/or CITY shall not have the authority to direct the services to be performed hereunder. AUTHORITY may expand the scope of the services to be provided by CONTRACTOR hereunder; such direction shall be deemed to be an addition to the Scope of Services provided in this Agreement and CONTRACTOR shall be compensated for such addition to the scope of services provided herein, in the manner provided in Subsection 2.15 hereinabove.

Facilities Description. The wastewater treatment plant is located in Canadian County in Mustang, OK at 520 S.W. 59th Street. The plant has a design capacity of 3.0 MGD and a maximum flow of 3.3 MGD. CONTRACTOR agrees to provide the services necessary for the management, operation and maintenance of the following:

- Flow /Storm Water Equalization Basin and Aerators
- Mechanical Bar Screen and Wet Well
- Grit Removal
- SBR retrofit with diffused aeration and mixing
- Aerobic digester
- WAS holding tank
- Gravity Belt Thickener
- Filter Belt Press and Belt Press Building, Belt Press Sludge Feed holding Tank and Auger
- Decant Equalization Basin
- Decant Line to South Canadian River
- South Canadian Outfall

1.2.2 Wet Weather Flow and Diversion

Excess flow may be diverted to the Flow I Storm Water Flow Equalization Basin (FEB), which has a capacity of 7.55 MG. The FEB contains five floating aerators.

1.2.3 Grit Removal

The Grit Removal system receives flow from the Head Works Wet Well Pumps. Grit is separated in two stainless steel vortex Grit removal chambers, (One rated at 4.0 MGD and one rated at 2.5 MGD) and then collected into a grit classifier equipped with a dewatering screw that dumps into dumpsters for disposal. De-gritted Wastewater flows directly from the grit chambers into the pipe gallery located in the basement of the Control Building and thence into SBR # 1 and SBR #2.

1.2.4 Sequencing Batch Reactors

The WWTP has two square SBR basins that are approximately 106-ft square with a 12.5 ft full water depth, resulting in a volume of about 1.0 million gallons each. The basins are equipped with fixed-floor fine bubble aeration, 4 floating mixers, decanters, submersible sludge pumps, and influent piping. Additionally, level sensors, pressure transducers, and dissolved oxygen meters are integrated with a programmable logic controller for enhanced process control. Diffused air is provided by positive displacement blowers equipped with VFDs. Sludge may be wasted from the SBRs directly into the Aerobic Digester or into the WAS holding tank prior to thickening by the Gravity Belt Thickener.

1.2.5 Decant Equalization Basin and Effluent Auto Sampling

Effluent from the SBRs decants into the Decant Equalization Basin (DE Basin) and ultimately the South Canadian River.

1.2.6 WAS Holding Tank

Waste Sludge from the SBRs is pumped into a 220,675-gal sludge holding tank, which is sized to store more than three days of sludge production under maximum month conditions of 2.8 MGD. The sludge is mixed using a vertical turbine mixer. A pump well located adjacent to the holding tank houses two submerged centrifugal pumps that feed the sludge to either the Gravity Belt Thickener (GBT) or the Aerobic Digester. A decant manifold is integrated into the holding tank.

1.2.7 WAS Thickening

The thickening process is carried out by a gravity belt thickener located in the new solids equipment building.

1.2.8 Aerobic Digestion

A progressive cavity pump feeds thickened sludge from the GBT to the Aerobic Digester. The Aerobic Digester can also receive sludge from the WAS holding tank. The digester is fitted with the same type of fixed-floor diffusers used in the SBRs. Air is supplied by a positive displacement blower. Four floating mixers are also located in the digester. Supernatant may be returned to the head works through a telescoping valve. Digested sludge is pumped to the Dewatering Holding Tank by progressive cavity pumps located in the Control Building Basement.

1.2.9 Sludge Dewatering Equipment

Digested Sludge pumped into the Dewatering Holding Pond is then pumped onto the Filter Belt Press. This device utilizes a polymer feed system and two converging belts to further dewater the sludge.

1.2.10 Potable Water Treatment Facilities

The potable water treatment system consists of eleven deep water wells located in the Oklahoma City/Moore area. Of these eleven wells, only ten are active and in use. Additionally, there are three booster stations and three water storage tanks.

1.2.11 Potable Water Wells

Each well is equipped with a variable frequency drive and a programmable logic controller to transmit information to the SCADA computer, located in the control room of the wastewater treatment plant. The wells pump to a collective line that runs to the "Rockwell Booster Station".

1.2.12 Rockwell Booster Station

The Rockwell booster station is located at SW 119th and Rockwell in Oklahoma City. This station houses two 400 HP pumps equipped with VFD's. The information collected in the PLC is transmitted to the SCADA computer, located in the control room of the wastewater treatment plant.

1.2.13 County Line Tower.

County Line Tower is located at SW 83rd and County Line Rd. in Mustang. The water pumped from the Rockwell booster station is chlorinated before entering the county line storage tower. The chlorine feed system consists of two 150 lb chlorine cylinders with auto switching regulators. The storage tank will hold approximately 1.4 MG of water. The water from here flows to the 74th booster station where it is pumped into the distribution system. There is also the option to purchase water from Oklahoma City at this location. The tower level, valve status, and chlorine alarm are transmitted to the SCADA computer.

1.2.14 74th Booster Station

The 74th Street Booster Station is located 1/4 mile west of County Line Rd on SH 152. Chlorinated water from the county line tower is pumped into the distribution system at this point. This station houses two 150 HP pumps equipped with VFD's. The drive is ramped up or down depending on the tower levels. The maximum flow of this station is around 2500 GPM. There is also a bypass line that was constructed around this station to allow an additional 1300 GPM.

1.2.15 59th Booster Station

59th Booster Station is located 1/4 mile west of County Line Rd on SW 59th St in Mustang. This station is the normal buy point from Oklahoma City. The Authority is contracted to buy 250,000 gallons per day, however this will vary depending on season/demand. This station houses two 150 HP pumps equipped with VFD's.

1.2.16 Mustang Tower

Mustang tower is located 1/4 mile west of Mustang Rd on SH 152. This tower will hold approximately 1.2 MG of water at full water level. This tower is primarily for pressure and storage.

1.2.17 Clearsprings Tower

Clearsprings tower is located at SH 152 and Clearsprings Rd. This tower will hold approximately 0.58 MG. It has a 75 HP pump that pumps out of it into the distribution system. This tower is primarily used for fire suppression but will be exercised daily to get proper turnover.

1.2.18 Collection System

The collection system of Mustang consists of 6 sewage lift stations, 4 of which have standby generators.

1.2.19 Lift Station #1

Lift station #1 is located at 59th and Morgan Rd. It is a dry well lift station with two 40 HP centrifugal pumps located in the "Cantex" drywell. This lift station has a 60kW diesel powered standby generator. This lift station is also equipped with a manual bar screen.

1.2.20 Lift Station #2

Lift station #2 is located at 59th and Morgan Rd. It is a wet well lift station with three 25 HP submersible pumps. The lift station is equipped with a diesel powered 60 kW standby generator.

1.2.21 Lift Station #3

Lift Station #3 is located off Cedar Ridge Dr. 114 Mile west of Clearsprings Rd. It is a dry well lift station with two 40 HP centrifugal pumps located in the "Cantex" drywell. This lift station has a 60kW diesel powered standby generator. This lift station also contains a second wet well that houses two 3HP submersible pumps that pump into the wet well of the drywell pumps.

1.2.22 Lift Station #4

Lift Station #4 is located 1/4 mile west of Sara Rd. on Hwy 152. It is a wet well lift station equipped with 2-5HP submersible pumps. The lift station is equipped with a natural gas powered 50 kW standby generator.

1.2.23 Lift Station #5

Lift station #5 is located at Spitler Drive and Hwy 152. It is a wet well lift station that houses two 3HP submersible pumps.

1.2.24 Lift Station #6

Lift station #6 is located 1/4 mile south of SH 152 on Czech Hall Rd. It is a wet well lift station that houses two 3 HP submersible pumps.

DESCRIPTION OF FACILITIES - WATER

CONTRACTOR will operate and maintain the water system effluent to meet the requirements of ODEQ permit number OK2000910 to include all required sampling and monitoring.

Water Wells, Transmission Pumping, and Storage

The eleven (11) water wells, located in Oklahoma County, in Oklahoma City, OK have a design capacity of 3.5 MGD. Currently the wells pump an average daily flow of 2.2 MGD and the CITY purchases at least an equal part from the City of Oklahoma City. The following describes the processes at the plant:

- A. Water Wells- The eleven (11) water wells average 160 to 210 GPM each. They are connected to a common transmission line that delivers water to the CITY limits for distribution. CONTRACTOR shall maintain all transmission and distribution lines.
- B. Water Chlorination - The water pumped from the Rockwell booster station is chlorinated before entering the county line storage tower. The chlorine feed system consists of two 150 lb. chlorine cylinders with auto switching regulators.
- C. Oklahoma City Blending/Pumping Station - The CITY has three booster pumps located at OKC Booster Station 22. These pumps are utilized to purchase City of Oklahoma City water. The maintenance of the station and the pump is contracted with The City of Oklahoma City. The OWNER's Telemetry system and OWNER Meter maintenance falls within the scope of this contract
- D. Water Towers and Booster Station - The CITY has three in-service water towers within the CITY limits. The CITY has three booster stations. These are used to increase pressure to the water system.
- E. Annual inspection of cathodic protection of water towers by Third Party Company.

APPENDIX C
OPDES PERMIT AND FACILITIES CHARACTERISTICS
WASTEWATER TREATMENT

- C.1 CONTRACTOR will operate so that effluent will meet the requirement of OPDES permit number OK0028584 to meet the correct permit requirements; a full and complete copy of which is adopted by reference herein as of the date hereof. CONTRACTOR shall be responsible for meeting the effluent quality requirements of the Permit unless one or more of the following occurs: (1) the Facilities influent does not contain Adequate Nutrients to support operation of Facilities' biological processes and/or contains Abnormal Substances or Biologically Toxic Substances which cannot be removed by the existing process and Facilities; (2) dischargers into OWNER's sewer system violate any or all regulations as stated in OWNER's Industrial Water and Sewer Ordinance(s) or as required by law; (3) the flow or influent BODs and/or suspended solids exceeds the Facilities design parameters which are 3.0 million gallons of flow per day, with a maximum of 5.02 MGD, 5,000 pounds of BODs per day, 5,000 pounds of suspended solids, 500 pounds per day of ammonia and a daily peaking factor of <3 times flow; (4) if the Facilities is inoperable or can operate only at a reduced capacity on account of construction activities, fire, flood, adverse weather conditions, labor disputes or other causes beyond CONTRACTOR's control.
- C.2 In the event any one of the Facilities influent characteristics, suspended solids, BOD5 or flow, exceeds the design parameters stated above, CONTRACTOR shall return the plant effluent to the characteristics required by OPDES in accordance with the following schedule after Facilities influent characteristics return to within design parameters.

Characteristics Exceeding
Design Parameters By

Recovery Period Maximum

10% or Less	5 days
Above 10%, but Less than 20%	10 days
20% and Above	30 days

Notwithstanding the above schedule, if the failure to meet effluent quality limitations is caused by the presence of Abnormal Substances or Biologically Toxic Substances or the lack of Adequate Nutrients in the influent, then CONTRACTOR will have a thirty (30) day recovery period after the influent is free from said substances or contains Adequate Nutrients.

- C.3 A portion of the Annual Fee for services under this Agreement is based upon the OPDES permit number OK0028584. The permit reflects the design criteria for the facility. Any change of ten percent (10%) or more in any of these characteristics, based upon a twelve (12) month moving average, will constitute a Change in Scope (See Article 7).

APPENDIX D-INSURANCE COVERAGE

CONTRACTOR Insurance

Comprehensive general liability insurance naming AUTHORITY and the CITY as additional insured for bodily injury and/or property damage in an amount not less than Five Million (\$5,000,000) Dollars. Insurance provided by CONTRACTOR shall be the primary insurance coverage for the parties hereunder.

INSURANCE COVERAGE

CONTRACTOR SHALL MAINTAIN:

1. Statutory workers' compensation for all of CONTRACTOR's employees at the Facilities as required by the State of Oklahoma.
2. Commercial General Liability insurance, insuring CONTRACTOR's negligence, in an amount not less than \$1,000,000 each occurrence and \$4,000,000 aggregate for bodily injury and/or property damage.
3. Business Automobile Liability insurance, insuring owned, non-owned and hire automobiles, including vehicles owned by OWNER and operated by CONTRACTOR under this Agreement, in an amount not less than \$1,000,000 combined single limit.

CONTRACTOR will provide at least thirty (30) days' notice of the cancellation of any policy it is required to maintain under this Agreement. CONTRACTOR may self-insure reasonable deductible amounts under the policies it is required to maintain to the extent permitted by law. CONTRACTOR shall include OWNER as additional insured on the coverages, excluding workers' compensation, required to be maintained hereby and shall contain a waiver of subrogation in favor of OWNER as respects any claims covered or which should have been covered by valid and collectible insurance including any deductibles or self-insurance maintained thereunder.

APPENDIX E- PERFORMANCE BOND

The Performance Bond to be provided pursuant to Section 8.4 of the Agreement shall be (i) in the amount of the first year's Annual Fee, (ii) issued in accordance with 61 O.S. §1 and requiring any action for recovery under the bond to be commenced within the one (1) year period following the date on which the last date on which the services provided by this Agreement are furnished as provided in 61 O.S. §2, and (iii) issued for a one (1) year period, to be replaced by CONTRACTOR prior to the expiration thereof with a bond bearing substantially the same terms and conditions for each Contract Year.

**CITY OF MUSTANG
CITY COUNCIL
AGENDA ITEM COMMENTARY**

- 1. ITEM NO.** H-2
- 2. MEETING DATE:** July 3, 2017
- 3. TITLE:**
Discussion, Consideration and Possible Action to Approve Resolution No. 18-002.
- 4. COUNCIL ACTION:** Approve/Deny
- 5. INITIATOR:** Timothy D. Rooney, City Manager
- 6. BACKGROUND:**
Information to be provided Monday evening.
- 7. FINANCIAL IMPACT:**
- 8. STAFF COMMENTS:**
- 9. STAFF SOURCE:** Timothy D. Rooney, City Manager
- 10. ORDINANCE /RESOLUTION NO. 18-002**

RESOLUTION NO. 18-002

A RESOLUTION OF THE CITY OF MUSTANG, OKLAHOMA (THE "CITY") APPROVING THE INCURRENCE OF INDEBTEDNESS BY THE MUSTANG IMPROVEMENT AUTHORITY (THE "AUTHORITY") ISSUING ITS UTILITY SYSTEM AND SALES TAX REVENUE NOTE, SERIES 2017 (THE "NOTE"); PROVIDING THAT THE ORGANIZATIONAL DOCUMENT CREATING THE AUTHORITY IS SUBJECT TO THE PROVISIONS OF THE INDENTURE AUTHORIZING THE ISSUANCE OF SAID NOTE; WAIVING COMPETITIVE BIDDING AND APPROVING THE PROCEEDINGS OF THE AUTHORITY PERTAINING TO THE SALE OF SAID NOTE; RATIFYING AND CONFIRMING A LEASE AGREEMENT, AS AMENDED BETWEEN THE CITY AND THE AUTHORITY WHEREBY THE CITY LEASES ITS WATER AND SANITARY SEWER SYSTEMS TO THE AUTHORITY; RATIFYING AND CONFIRMING A SALES TAX AGREEMENT PERTAINING TO THE YEAR-TO-YEAR PLEDGE OF CERTAIN SALES TAX REVENUES; AND CONTAINING OTHER PROVISIONS RELATING THERETO.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MUSTANG, OKLAHOMA:

SECTION 1. INDEBTEDNESS AUTHORIZED. The Mustang Improvement Authority (the "Authority") is hereby authorized to incur an indebtedness by the issuance of its Utility System and Sales Tax Revenue Note, Series 2017 in the amount of \$11,615,000 (the "Note"), according to the terms and conditions of a General Bond Indenture, as previously supplemented and amended, and as further supplemented and amended by a Series 2017 Supplemental Note Indenture (collectively, the "Indenture"), all by and between the Authority and BancFirst, as Trustee, provided that said Note shall never constitute a debt of the City of Mustang, Oklahoma (the "City").

SECTION 2. ORGANIZATIONAL DOCUMENT SUBJECT TO INDENTURE. The organizational document creating the Authority, is hereby made subject to the terms of the Indenture authorizing the issuance and securing the payment of the Note as more fully described in Section 1 hereof.

SECTION 3. WAIVING COMPETITIVE BIDDING; APPROVAL OF SALE PROCEEDINGS. The waiving of competitive bidding for the sale of the Note and the sale of said Note by the Authority to _____, is hereby approved.

SECTION 4. LEASE AGREEMENT. The Lease Agreement dated August 6, 1963, as amended by an Amendment to Lease dated January 25, 1991, whereby the City leased its water and sanitary sewer systems to the Authority and whereby the Authority agreed to operate and maintain the same (collectively, the "Lease Agreement"), is hereby ratified and confirmed and the term of said Lease Agreement shall continue until such date as all bonds or indebtedness of the Authority secured by and payable from the revenues of the referenced utility systems has been paid or provision for payment has been made.

SECTION 5. SALES TAX AGREEMENT. The City hereby ratifies and confirms that certain Sales Tax Agreement to be dated as of October 1, 2016, between the City and the Authority (the "Sales Tax Agreement"), which Sales Tax Agreement pertains to a year-to-year pledge of certain sales tax revenue as security for the Note.

SECTION 6. AUTHORIZING EXECUTION. The Mayor or Vice Mayor of the City representing the City at the closing of the above-referenced note issue is hereby authorized to execute and deliver on behalf of the City any and all certifications and documentation necessary or attendant to the delivery of the Note, as directed by Bond Counsel.

[Remainder of Page Intentionally Left Blank]

PASSED AND APPROVED THIS 3RD DAY OF JULY, 2017.

CITY OF MUSTANG, OKLAHOMA

(SEAL)

ATTEST:

Mayor

City Clerk

CERTIFICATE
OF
CITY COUNCIL ACTION

I, the undersigned, hereby certify that I am the duly qualified and acting City Clerk of the City of Mustang, Oklahoma.

I further certify that the City Council of the City of Mustang, Oklahoma, held a Regular Meeting at 7:00 o'clock p.m., on July 3, 2017, after due notice was given in full compliance with the Oklahoma Open Meeting Act.

I further certify that attached hereto is a full and complete copy of a Resolution that was passed and approved by said City Council at said meeting as the same appears in the official records of my office and that said Resolution is currently in effect and has not been repealed or amended as of this date.

I further certify that below is listed those Councilmembers present and absent at said meeting; those making and seconding the motion that said Resolution be passed and approved; and those voting for and against such motion:

PRESENT:

ABSENT:

MOTION MADE BY:

MOTION SECONDED BY:

AYE:

NAY:

WITNESS MY HAND THIS 3RD DAY OF JULY, 2017.

CITY OF MUSTANG, OKLAHOMA

(SEAL)

City Clerk

AGENDA

- A. CALL TO ORDER
- B. ROLL CALL
- C. NEW BUSINESS
- D. CONSENT AGENDA

These items are considered on the Consent Agenda so that members of the Improvement Authority by unanimous consent can designate routine agenda items to be approved by one motion. If any item proposed on the Consent Agenda does not meet with approval of all Trustees that item will be removed and heard in regular order.

- 1. Approval of **06/20/2017** MIA Minutes
- *2. Claims List for **FY 2017**
- *3. Claims List for **FY 2018**
- *4. Approval to Turn **Past Due Utility Accounts** over to the Collection Agency.

E. INFORMATION/REPORTS

- 1. Trustee Manager
- 2. Trustees

F. DISCUSSION ITEMS

- *1. **Discussion, Consideration and Possible Action** regarding Approval of Contract for Operation, Maintenance, and Management of the Water and Wastewater Treatment Facilities for the City of Mustang.

2. **Discussion, Consideration and Possible Action** regarding Approval of **Resolution No. 18-003**, a Resolution of the Trustees of The Mustang Improvement Authority (the "Authority") authorizing the issuance of its Utility System and Sales Tax Revenue Note, Series 2017 (the "Note") in the aggregate principal amount of \$11,615,000; waiving competitive bidding and authorizing the Note to be sold on a negotiated basis; approving and authorizing the execution of an 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, as amended, by and between the City of Mustang, Oklahoma (the "City") and the Authority whereby the City leases its water and sanitary sewer systems to the Authority; ratifying and confirming a Sales Tax Agreement by and between the City and the Authority pertaining to the year-to-year pledge of certain sales tax revenues; authorizing and directing the execution of the Note and other documents relating to the transaction including, but not by way of limitation, professional services agreements; and containing other provisions relating thereto.

G. CITY ATTORNEY'S REPORT

- *1. **Discussion, Consideration and Possible Action** regarding terms of Employment Agreement with City Attorney; and, **proposed Executive Session as Authorized by 25 Okla. Stat. §307(B)(1, 2).**

H. ADJOURNMENT

**MUSTANG IMPROVEMENT AUTHORITY
JUNE 20, 2017**

The Mustang Improvement Authority met in regular session on Tuesday, June 20, 2017, at 7:00 p.m. in the Mustang Municipal Building Council Chambers. Notice of the meeting was posted on the Bulletin Board outside the Mustang Municipal Building on Friday, June 16, 2017, at 12:10 p.m. in compliance with the Open Meeting Law, 25 O.S., Section 301, et. seq.

A. CALL TO ORDER

Chairman Adams called the meeting to order at **7:52 p.m.**

B. ROLL CALL

Trustees Present: Riley
Leete
Grider
Hagan
Adams

Trustees Absent: Jones
Schweinberg

C. NEW BUSINESS

None.

D. CONSENT AGENDA

1. Approval of **06/06/2017** MIA Minutes
- *2. Claims List for **FY 2017**

MOTION was made by **Trustee Grider**, seconded by **Trustee Leete**, to approve Items D-1 through D-2 of the Consent Agenda.

AYE: Riley, Leete, Grider, Hagan, Adams
NAY: None

E. INFORMATION/REPORTS

1. **Trustee Manager**

Trustee Manager Rooney reminded Council the next Council meeting would be held on Monday, July 3rd due to July 4th being on Tuesday. He stated for Councilmembers to let him know if they would not be able to attend.

2. **Trustees**

None.

F. DISCUSSION ITEMS

- *1. **Discussion, Consideration and Possible Action** regarding Approval of Contract for Operation, Maintenance, and Management of the Water and Wastewater Treatment Facilities for the City of Mustang.

This item was pulled from the agenda by *City Manager Rooney* under New Business during the City Council meeting.

G. ADJOURNMENT

MOTION was made by **Trustee Grider**, seconded by **Trustee Leete**, to adjourn.

AYE: Riley, Leete, Grider, Hagan, Adams

NAY: None

Meeting was adjourned at **7:53 p.m.**

Jay Adams, Chairman

Attest:

Lisa Martin, Secretary

FUND: 68 - IMPROVEMENT AUTHORITY

SUMMARY REPORT

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 68 GENERAL GOVERNMENT						
17-0947	01-S0332	SMITH ROBERTS LAND SERVICES	RIGHT OF WAY EASEMENTS	6/2017	601-04	35,200.00
DEPARTMENT TOTAL:						35,200.00
DEPARTMENT: 78 SANITATION						
17-0076	01-00121	O.E.M.A.	MONTHLY SANITATION	6/2017	80468, 80470	98,015.94
DEPARTMENT TOTAL:						98,015.94
FUND TOTAL:						133,215.94
GRAND TOTAL:						230,240.28

FY 18

VENDOR NAME	ACCOUNT #	DESCRIPTION	AMOUNT
INCODE	68-568-5353	AUDIOTEL	\$ 3,524.46
INCODE	68-568-5353	HOST WEBSITE SERVICES	\$ 192.00
RISK MANAGEMENT	68-568-5354	WORKERS COMP FEES	\$ 8,333.34
BANCFIRST	68-568-5866	2013 NOTE PAYMENT	\$ 94,053.92
GENERAL FUND	68-568-5872	TRANSFER FROM MIA - EOC LAND	\$ 182,000.00
BANCFIRST	68-568-5882	2009 OWRB LOAN PAYMENT	\$ 21,939.68
		DEPT TOTAL	\$ 310,043.40
COWRA	68-572-5353	ANNUAL MEMBERSHIP DUES	\$ 16,935.00
DATAMATIC	68-572-5971	ANNUAL MAINTENANCE CHARGES ON HANDHELD	\$ 5,239.18
		DEPT TOTAL	\$ 22,174.18
MIA FUND TOTAL			\$ 332,217.58

**CITY OF MUSTANG
MUSTANG IMPROVEMENT AUTHORITY
AGENDA ITEM COMMENTARY**

- 1. ITEM NO.** F-2
- 2. MEETING DATE:** July 3, 2017
- 3. TITLE:**
Discussion, Consideration and Possible Action to Approve Resolution No. 18-003.
- 4. COUNCIL ACTION:** Approve/Deny
- 5. INITIATOR:** Timothy D. Rooney, City Manager
- 6. BACKGROUND:**
Information to be provided Monday evening.
- 7. FINANCIAL IMPACT:**
- 8. STAFF COMMENTS:**
- 9. STAFF SOURCE:** Timothy D. Rooney, City Manager
- 10. ORDINANCE /RESOLUTION NO. 18-003**

RESOLUTION NO. 18-003

A RESOLUTION OF THE TRUSTEES OF THE MUSTANG IMPROVEMENT AUTHORITY (THE "AUTHORITY") AUTHORIZING THE ISSUANCE OF ITS UTILITY SYSTEM AND SALES TAX REVENUE NOTE, SERIES 2017 (THE "NOTE") IN THE AGGREGATE PRINCIPAL AMOUNT OF \$11,615,000; WAIVING COMPETITIVE BIDDING AND AUTHORIZING THE NOTE TO BE SOLD ON A NEGOTIATED BASIS; APPROVING AND AUTHORIZING THE EXECUTION OF AN 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, AS AMENDED, BY AND BETWEEN THE CITY OF MUSTANG, OKLAHOMA (THE "CITY") AND THE AUTHORITY WHEREBY THE CITY LEASES ITS WATER AND SANITARY SEWER SYSTEMS TO THE AUTHORITY; RATIFYING AND CONFIRMING A SALES TAX AGREEMENT BY AND BETWEEN THE CITY AND THE AUTHORITY PERTAINING TO THE YEAR-TO-YEAR PLEDGE OF CERTAIN SALES TAX REVENUES; AUTHORIZING AND DIRECTING THE EXECUTION OF THE NOTE AND OTHER DOCUMENTS RELATING TO THE TRANSACTION INCLUDING, BUT NOT BY WAY OF LIMITATION, PROFESSIONAL SERVICES AGREEMENTS; AND CONTAINING OTHER PROVISIONS RELATING THERETO.

NOW, THEREFORE, BE IT RESOLVED BY THE TRUSTEES OF THE MUSTANG IMPROVEMENT AUTHORITY:

SECTION 1. INDEBTEDNESS AUTHORIZED. The Mustang Improvement Authority (the "Authority") is authorized to incur an indebtedness by the issuance of its Utility System and Sales Tax Revenue Note, Series 2017 for and on behalf of the City of Mustang, Oklahoma (the "City"), in the aggregate principal amount of \$11,615,000.00 (the "Note") for the purpose of (i) financing certain capital improvements, along with related costs; and (ii) paying certain costs associated with the issuance of the Note. The Note shall bear interest at the rate of ____ % per annum and shall mature in semi-annual principal installments as set forth on Exhibit "A" attached hereto.

SECTION 2. COMPETITIVE BIDDING WAIVED. Competitive bidding on the sale of said Note is waived and the Note is authorized to be sold to _____, at a price of par.

SECTION 3. INDENTURE. The General Bond Indenture dated as of May 1, 2014, as previously supplemented and amended, and as further supplemented and amended by a Series 2017 Supplemental Note Indenture, each by and between the Authority and BancFirst, as Trustee (collectively referred to herein as the "Indenture"), authorizing the issuance of and securing the payment of the Note in Section 1 hereof, are hereby approved and the Chairman or Vice Chairman and Secretary or Assistant Secretary of the Authority are authorized and directed to execute and deliver same for and on behalf of the Authority.

SECTION 4. ORGANIZATIONAL DOCUMENT SUBJECT TO THE INDENTURE. The organizational document creating the Authority is subject to the provisions of the Indenture referenced in Section 3 hereof.

SECTION 5. LEASE AGREEMENT. The Lease Agreement dated August 6, 1963, as amended by an Amendment to Lease dated January 25, 1991, whereby the City leased its water and sanitary sewer systems to the Authority and whereby the Authority agreed to operate and maintain the same (collectively, the "Lease Agreement"), is hereby ratified and confirmed and the term of said Lease Agreement shall continue until such date as all bonds or indebtedness of the Authority secured by and payable from the revenues of the referenced utility systems have been paid or provision for payment has been made.

SECTION 6. SALES TAX AGREEMENT. The Authority hereby ratifies and confirms that certain Sales Tax Agreement dated as of October 1, 2016, between the City and the Authority (the "Sales Tax Agreement"), which Sales Tax Agreement pertains to a year-to-year pledge of certain sales tax revenue as security for the Note.

SECTION 7. EXECUTION OF NECESSARY DOCUMENTS. The Chairman or Vice Chairman and Secretary or Assistant Secretary of the Authority are hereby authorized and directed on behalf of the Authority to execute and deliver the Note to _____, upon receipt of the purchase price and are further authorized and directed to execute all necessary documentation and closing and delivery papers required by Bond Counsel, including professional services agreements with The Public Finance Law Group PLLC, as Bond Counsel, Hawkins Delafield & Wood LLP, as Special Tax Counsel, and Municipal Finance Services, Inc., as Financial Advisor; approve the disbursement of the proceeds of the Note, including any costs of issuance and authorizing the disbursement of other funds of the Authority necessary to accomplish the financing; to approve and make any changes to the documents approved by this Resolution, for and on behalf of the Authority, the execution and delivery of such documents being conclusive as to the approval of any changes contained therein by the Authority; and to execute, record and file any and all the necessary documents, financing statements and security instruments, including but not limited to the documents approved hereby; and to consummate the transaction contemplated hereby.

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PASSED AND ADOPTED THIS 3RD DAY OF JULY, 2017.

THE MUSTANG IMPROVEMENT AUTHORITY

Chairman

ATTEST:

Secretary

(SEAL)

CERTIFICATE
OF
AUTHORITY ACTION

I, the undersigned, hereby certify that I am the duly qualified and acting Secretary of The Mustang Improvement Authority.

I further certify that the Trustees of The Mustang Improvement Authority held a Regular Meeting at 7:00 o'clock p.m., on July 3, 2017, after due notice was given in full compliance with the Oklahoma Open Meeting Act.

I further certify that attached hereto is a full and complete copy of a Resolution that was passed and approved by said Trustees at said meeting as the same appears in the official records of my office and that said Resolution is currently in effect and has not been repealed or amended as of this date.

I further certify that below is listed those Trustees present and absent at said meeting; those making and seconding the motion that said Resolution be passed and approved, and those voting for and against such motion:

PRESENT:

ABSENT:

MOTION MADE BY:

MOTION SECONDED BY:

AYE:

NAY:

WITNESS MY HAND THIS 3RD DAY OF JULY, 2017.

THE MUSTANG IMPROVEMENT AUTHORITY

(SEAL)

Secretary of Authority

EXHIBIT "A"

[Principal Payment Schedule]

Payment Date	Principal Amount
March 1, 2018	290,000.00
September 1, 2018	335,000.00
March 1, 2019	340,000.00
September 1, 2019	345,000.00
March 1, 2020	405,000.00
September 1, 2020	415,000.00
March 1, 2021	420,000.00
September 1, 2021	425,000.00
March 1, 2022	430,000.00
September 1, 2022	435,000.00
March 1, 2023	440,000.00
September 1, 2023	445,000.00
March 1, 2024	450,000.00
September 1, 2024	455,000.00
March 1, 2025	465,000.00
September 1, 2025	465,000.00
March 1, 2026	470,000.00
September 1, 2026	480,000.00
March 1, 2027	485,000.00
September 1, 2027	490,000.00
March 1, 2028	495,000.00
September 1, 2028	505,000.00
March 1, 2029	510,000.00
September 1, 2029	515,000.00
March 1, 2030	550,000.00
September 1, 2030	555,000.00