MUSTANG CITY COUNCIL
OCTOBER 4, 2016

The Mustang City Council met in regular session on Tuesday, October 4, 2016, 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, September 30, 2016, at 3:40 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 (Terry Armstrong, Pastor, Mustang Church of the Nazarene)

Pastor Armstrong led the assembly in the Pledge and Invocation. He requested prayers for Deputy Fire Chief Roy Widmann's wife who is battling cancer. He also stated the new splash pad in the church's community area has had alot of visitors and is alot of fun. He stated he was happy the church has an area the whole community can enjoy stating their next project was to install a walking trail with shade trees for all to enjoy.

C. ROLL CALL

Councilmembers Present:	**Riley**
	Leete
	Grider
	Jones
	Hagan
	Schweinberg
	Adams
Councilmembers Absent:	**None**

D. INTRODUCTION OF GUESTS/HEARING OF CITIZENS OR DELEGATES

Coeta Morrell, 1500 E. Lily Lane, addressed the Council regarding her brother's property who lives down the street from her stating the weeds are tall and terrible and is a big problem. She requested the City look at it and see what can be done.

E. NEW BUSINESS, DELETIONS OR CONTINUANCES TO THE AGENDA

None

F. CONSENT AGENDA

1. Approval of **09/20/16** City Council Minutes.
*2. Claims List for **FY'17**.
*3. Approval to Turn **Past Due Utility Accounts** over to the Collection Agency.

MOTION was made by **Councilman Grider,** seconded by **Councilman Leete,** to approve Items F-1 through F-3 of the Consent Agenda.

AYE: **Riley, Leete, Grider, Jones, Hagan, Schweinberg, Adams**
NAY: **None**

G. INFORMATION/REPORTS

1. City Manager

City Manager Rooney stated he did not have anything to report in addition to the City Manager Report that was provided to everyone this evening.

2. City Council

a. Approval of **Proclamation** Declaring October 12, 2016 as "***Parkinson's Awareness Day***"

MOTION was made by **Councilman Schweinberg,** seconded by **Councilman Jones,** to approve the Proclamation Declaring October 12th as "Parkinson's Awareness Day".

AYE: **Riley, Leete, Grider, Jones, Hagan, Schweinberg, Adams**
NAY: **None**

Mayor Adams invited Mr. Yeager to the front. He then read the Proclamation and presented it to Mr. Yeager.

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

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

Councilman Leete did not have anything to report at this time.

Councilman Grider explained the ACOG booklets handed out this evening stating it was a transportation document that was still in a draft stage stating 89th street was not on the map and requested the City Manager reach out to them and have it added.

He also stated he had received a phone call from a citizen involved in a small accident stating Lieutenant Mangrum worked the accident and was very helpful and did an outstanding job and wanted to recognize him for it.

Councilman Jones did not have anything to report at this time.

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

Councilman Schweinberg congratulated ***City Manager Rooney*** on receiving the City Manager of the Year award stating he had been out of the state the last month and had not had a chance to congratulate him. He also stated the Mustang Parks Foundation benefit banquet would be held October 27th and encouraged everyone to attend.

Mayor Adams stated the Imagine Mustang long range plan group would be holding a charrette at the Community Center on Wednesday and Thursday and invited everyone to attend and provide input.

> **Community Development Director Helsel** stated the charrette would be held October 6th and 7th at the Community Center with a formal presentation to be held on the 7th at 6:30 pm to present all the information that had been received.

Adams also provided an update regarding the RFPs solicited by COWRA for Engineers to develop a master plan on water supply for Canadian County stating they had been opened and reviewed and should be making an award in the next couple of weeks. He stated at the end of 12 months, a good master plan of action for water supply for the next 15-20 years should be available.

H. DISCUSSION ITEMS

1. **Public Hearing, Discussion, Consideration and Possible Action** regarding Approval of Special Use Permit Application SUP-8-9-16-1-28, 851 W. State Highway 152, Highland Ventures, Ice and Water Vending Machine, C-4, Shopping Center District.

   Community Development Director Helsel stated Family Video has put in an application for a Special Use Permit for a water and ice vending machine in their parking lot stating it is similar to the one next to Tractor Supply. She stated Family Video is required to have 24 parking spaces based on the size of the building stating they currently have 40 parking spaces, therefore, the three spaces needed for the vending machine would not be an issue. **Helsel** stated one advantage of having the vending machine in this parking lot is someone would be on-site for issues.

   Helsel stated Planning Commission voted unanimously to approve the SUP and Staff recommends approval.

   Discussion was held concerning the model with it being stated this one appears to be more modern than the other one next to Tractor Supply.

Mayor Adams opened the matter for Public Hearing.

Nicky Nelson, Family Video District Manager, addressed the Council stating the vending machine is the same model as the one in the picture, but more of a beige color.

MOTION was made by **Mayor Adams**, seconded by **Councilman Schweinberg**, to close the Public Hearing.

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

MOTION was made by **Councilman Schweinberg**, seconded by **Councilwoman Hagan**, to Approve the Special Use Permit Application SUP-8-9-16-1-28, 851 W. State Highway 152, Highland Ventures, Ice and Water Vending Machine, C-4, Shopping Center District.

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

*2. **Discussion, Consideration and Possible Action** regarding Acceptance of Consent Order 16-267 from Oklahoma Department of Environmental Quality (ODEQ).

City Manager Rooney stated on Friday, August 26th, the Mustang Improvement Authority (MIA) received a notice of violation regarding the waste water treatment plant for a spill that occurred on August 5th. He stated the spill was reported to ODEQ by the operator as well as a citizen stating the overflow occurred when the contractor's pumps bypassing the headworks during construction both failed. **Rooney** stated the consent order notates discharge without a permit and the MIA is required to pay a $10,000 fine. He stated the MIA will make the payment to ODEQ and will be reimbursed by the contractor HCCCo, the company contracted to do the work on the plant.

MOTION was made by **Councilman Schweinberg**, seconded by **Councilman Leete**, to Accept Consent Order 16-267 from Oklahoma Department of Environmental Quality.

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

3. **Discussion, Consideration and Possible Action** regarding Approval of **Resolution No. 17-021**, 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 2016 (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; Approving and Authorizing a Sales Tax Agreement pertaining to the Year-to-Year Pledge of Certain Sales Tax Revenues; Establishing the City's Reasonable Expectation with Respect to the Issuance of Tax-Exempt Obligations by or on Behalf of Said City in Calendar Year 2016, and Designating the Note as a Qualified Tax-Exempt Obligation, if appropriate; and Containing Other Provisions Relating Thereto.

City Manager Rooney stated Staff has identified projects which could be completed with the continuation of the one cent sales tax that was passed in the August election. He stated the City is authorized to incur debt which would allow projects to be started now and completed sooner instead of funding the projects as money is collected which would take much longer. He stated it is projected if revenue remains flat over the 13 year period, the City could collect approximately $25 million.

Rick Smith, President, Municipal Finance Services, Inc. addressed the Council stating quotes were received by the City from two major banks - JPMorgan Chase Bank, N.A. and BB&T out of Charlotte, NC, stating BB&T has financed other notes for the City. He stated rates were provided based on different options:

Option 1: Finance $10,000,000 which is bank qualified and would allow for a lower interest rate:

JPMorgan Chase Option A - 1.70%, Non-Callable
JPMorgan Chase Option B - 1.86%, 5 Year Call
JPMorgan Chase Option C - 1.82%, 7 Year Call

BB&T - 2.08%, 7 Year Call

Option 2: Finance $13,385,000, which is non-bank qualified:

JPMorgan Chase Option A - 2.05%, Non-Callable
JPMorgan Chase Option B - 2.20%, 5 Year Call
JPMorgan Chase Option C - 2.15%, 7 Year Call

BB&T - 2.31%, 7 Year Call

Discussion was held concerning the amount to finance and at which rate. Smith recommended the City finance $13,385,000 at 2.15% interest and 7 Year Call. He stated the additional interest paid at this Option from the lowest interest rate would be $106,504.

Smith also discussed a breakdown of 1% sales tax revenue (no growth) for FY16 minus the 10% Public Safety set aside and the maximum annual debt payment, stating this would leave approximately $1,000,000 unencumbered for pay as you go projects.

Smith reviewed the Estimated Issuance Components listing the different fees, expenses and capitalized interest stating total Cost of Issuance was $401,087.50 stating the "Costs as % of Note Amount" was 3.00%.

Discussion was held concerning how much interest would be paid if paid off at seven years with Smith stating interest is always paid first and would estimate about 60-65% of the interest would be paid over the seven year period.

Councilman Jones requested to hear from ***Finance Director Watts*** regarding her recommendation.

Finance Director Watts stated she also recommends the City choose Option 2, Option C financing $13,385,000 at 2.15% with the 7 year call stating if excess funds are available after 7 years, the note could be paid early.

MOTION was made by **Councilman Schweinberg**, seconded by **Councilman Riley**, to Approve **Resolution 17-021** selecting Option 2, Option C, financing $13,385,000 at 2.15% interest with 7 Year Call.

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

J. CITY ATTORNEY'S REPORT

None.

K. ADJOURNMENT

MOTION was made by **Councilman Leete,** seconded by **Councilman Schweinberg,** to adjourn.

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

The meeting was adjourned at **7:35 p.m.**

Jay Adams, Mayor

Attest:

Lisa Martin, City Clerk

MUSTANG IMPROVEMENT AUTHORITY
OCTOBER 4, 2016

The Mustang Improvement Authority met in regular session on Tuesday, October 4, 2016, 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, September 30, 2016, at 3:40 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 **7:35 p.m.**

B. ROLL CALL

Trustees Present: **Riley**
Leete
Grider
Jones
Hagan
Schweinberg
Adams

Trustees Absent: **None**

C. NEW BUSINESS

None.

D. CONSENT AGENDA

1. Approval of **09/20/16** MIA Minutes
*2. Claims List for **FY'17**
*3. Approval to Turn **Past Due Utility Accounts** over to the Collection Agency.

MOTION was made by **Trustee Grider,** seconded by **Trustee Jones,** to approve Items D-1 thru D-3 of the Consent Agenda.

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

E. <u>INFORMATION/REPORTS</u>

1. Trustee Manager
None.

2. Trustees
None.

F. DISCUSSION ITEMS

*1. **Discussion, Consideration and Possible Action** regarding Acceptance of Consent Order 16-267 from Oklahoma Department of Environmental Quality.

MOTION was made by **Chairman Adams**, seconded by **Trustee Grider**, to Accept Consent Order 16-267 from Oklahoma Department of Environmental Quality.

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

2. **Discussion, Consideration and Possible Action** regarding Approval of **Resolution No. 17-022**, 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 2016 (the "Note") in the Aggregate Principal Amount of Not to Exceed $13,385,000; 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; Approving and Authorizing a Sales Tax Agreement by and between the City and the Authority pertaining to the Year-to-Year Pledge of Certain Sales Tax Revenues; Establishing the Authority's Reasonable Expectations with Respect to the Issuance of Tax-Exempt Obligations in Calendar Year 2016, and Designating the Note as a Qualified Tax-Exempt Obligation, if appropriate; 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 Related Thereto.

Discussion was held concerning this Resolution and Resolution 17-021 on the City Council agenda having different numbers. Rick Smith with Municipal Finance Services, Inc. explained the MIA Resolution 17-022 is an incurrence of debt and the City Council Resolution 17-021 ratifies the action of the MIA stating the City Council has to approve the action of the MIA.

MOTION was made by **Trustee Schweinberg**, seconded by **Trustee Grider**, to Approve **Resolution 17-022** selecting Option 2, Option C, financing $13,385,000 at 2.15% interest with 7 Year Call.

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

G. ADJOURNMENT

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

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

Meeting was adjourned at **7:38 p.m.**

Jay Adams
Jay Adams, Chairman

Attest:

Lisa Martin
Lisa Martin, Secretary