

MINUTES
LAWTON WATER AUTHORITY SPECIAL MEETING
FEBRUARY 10, 2004 - 6:00 P.M.
WAYNE GILLEY CITY HALL COUNCIL CHAMBER

The meeting was called to order at 6:00 p.m. by Chairman, Cecil E. Powell. Invocation was given by Pastor John Dunaway, Abundant Life Church Ministries and Pledge of Allegiance. Notice of meeting and agenda were posted on the City Hall notice board as required by law.

ROLL CALL

PRESENT: Randy Bass, James Hanna, Glenn Devine, Amy Ewing-Holmstrom, Robert Shanklin, Jeffrey Patton, Stanley Haywood, Randy Warren.

ABSENT: None

ALSO PRESENT: Larry Mitchell, City Manager; John Vincent, City Attorney; Kathy Fanning, City Clerk; Col. Gregory K. Herring, Fort Sill Liaison.

INTRODUCTION OF TEEN COUNCIL MEMBERS

Powell introduced a member of the Administration at Shoemaker Center with the Lawton Public Schools, Tom Christen.

Christen said this group of young people he, the Mayor, and Kerry Stevens sponsor and work with are called the Lawton Teen Council. He said this Council has been going on for about 5 years and has been pretty successful. He said when you're watching the news and hearing about the bad things about kids, which seem to be emphasized, we sometimes forget most of our kids are really pretty good. He said about 99% of our kids are great and out of those great 99%, we have some of the best representing their teen council. He said the kids are hand selected. They are not concerned about themselves, but what they can do to help society and what they can do to make their community a better place. He had the Teen Council members come forward and introduce themselves. Alex Manco, Chairman of the Teen Council said he is an 11th grader at Eisenhower High School and this is his third year on the council and hopes to hold this office again next year. He said they are working beside the Lawton City Council to do the best they can and help this community. The remainder of the council members came forward and introduced themselves at this time: Tyler Gill, Secretary, he has been on the council for four years, is a 10th grader at Lawton High School. He said he was here to do as much as he can and everybody needs to do their part. Michael Linville, Council Parliamentarian, a sophomore at MacArthur High School, said for the past four years he has watched the Teen Council get better and better. He hopes this year we'll do as much as we can. Jessica Miller, an 8th grader at Eisenhower Jr. High School, said this is her first year on Teen Council. She wanted to join to set an example for her peers and show there are plenty of teens here who are actually good for something. Todd Stuart said this was his third year on the council. He's in the 8th grade at MacArthur Jr. High and just wanted to make sure every teen at his school has a voice to the community. Sean Vyhlidal from Taft Academy, in the 8th grade said this was his first year and was hear to say hi. Courtney Dillion, a freshman at Eisenhower Jr. High, said this is her third year on the Lawton Teen Council and loves being a part of this organization because it's a great way to get involved in your community and really make a difference. Tiya Nyugen from Tomlinson Jr. High, said this is her first year on council and is glad she gets to be a part in making a difference in our community. Sarah Powers, an 11th grader at Lawton High School, said this was her first year on Teen Council and is very proud of everything they are going to accomplish this year. She hopes to

be a member in future years. Logan Burk from Central Jr. High, in the 7th grade, said he is part of the teen council.

Powell thanked Christen and Stevens for their work with these kids. He said there is representation and these kids are making a difference from the 7th grade through the 12th grade for every student in the Lawton Public Schools. They take their task very seriously and have made some great accomplishments. He also thanked the parents for being there and supporting them as well.

PRESENTATION OF CITIZEN OF THE MONTH TO SHARON MEANS

Edwina Reddick-Scott, Mayor's Commission on the Status of Women, presented the Citizen of the month award to Sharon Means. She said time would not allow her to do justice in introducing the Citizen of the Month for February 2004. Reddick-Scott said Means is being recognized for her many past and present volunteer hours. She has given and continues to give to our community and was selected Nationally, as one of twenty leaders to design a three year pilot program for Chamber membership. She has served as former president of the J. Roy Dunning Shelter, former Spokesperson and Board Member for the March of Dimes, and founding member of the Children's Program Genesis in Oklahoma City. Children are her heartbeat. She has spent many hours pouring into the lives of children, locally, as well as state wide. As she herself battles cancer, she devotes a lot of time and energy encouraging others who are fighting the disease and enlightening their family members on a daily basis, again, locally and nationally. Married to Ron, they share four handsome sons, Kenneth, Billy, Eric, and Tommy. She says she doesn't have any grandchildren yet, but is the proud God Mother of Destiny and Hunter Martinez. As a member of one of the original builders of the Trinity Assembly of God Church, she is the assistant song leader, a member of a trio, and a teacher of the teens. Reddick-Scott said it has been such a long time since she's met an individual with such faith and such a positive outlook on life, when it seems as life, as we know it, hasn't been fair. She said when she sees Means, she is reminded of a saying from Jesus, "Your faith has made you whole."

Powell said there's some people, not only local, but from the State of Oklahoma who would like to recognize Means for not only who she is but for what she has done and what she means to the Lawton-Ft.Sill Community. He presented her with a citation from the Oklahoma House of Representatives and a citation from the Senate of the State of Oklahoma. Powell presented Means with a Proclamation from the City of Lawton.

Means thanked Reddick-Scott for her beautiful words, and expressed her appreciation to the Mayor and City Council. She said it is a privilege to serve wherever she is needed as a volunteer. She said this meeting was opened with prayer and commended this body for the courage they show in thanking God first and then continuing with business. She said it saddens her that accross this country, many municipalities are removing prayer, in fear that one might be offended. She said just as we thanked our parents who loved us, raised us, cared and made great sacrifices, we should not forget our creator who made the ultimate sacrifice for us all. She said she learned today of a soldier being deployed to Iraq who had nobody to care for his three children. She said someone stepped in and took the task as a loving volunteer so he might fight to protect our rights. She said it really doesn't matter what the politicians say. They sleep in comfort at night, they aren't sleeping in fox holes or tents, and they aren't being shot at daily. Means said she has been a proud military daughter, wife and mother, she said her heroes are men and women like that dad, who go to war and leave his children behind for us to care. She said

we might never know this man's name, but we do know of his sacrifice and said for us to honor them as you have honored her tonight. She said let's not forget to pray for them and their families.

STATE OF THE CITY ADDRESS BY MAYOR CECIL E. POWELL

Powell announced the State of the City Address is required as per Section C-2-2 of the City Charter, the Mayor shall annually provide such an address.

He said as we end the year 2003 and begin the year 2004 it is an opportune time to reflect on the past and look to the future. He thanked everyone for allowing him to serve as Mayor of this wonderful City. He said he is extremely proud of Lawton-Ft. Sill and considers it an honor and privilege to represent you. He said he will soon complete 6 years as Lawton's Mayor and during that time has seen the community grow and prosper. He stated he does not personally take credit for this progress as he's simply a member of a team which cares about our City and wants the best for our citizens. We will continue to work hard to improve the quality of life for all.

Lawton, like so many other communities throughout the State of Oklahoma, faced the most difficult budget year since the oil bust days in 1980. Rising health care and employee benefit costs, declining sales tax revenues, cuts in State Aide, a milder summer, an increase demand for public safety, and spending on homeland security issues, combined to create a critical financial condition for the City of Lawton-Ft. Sill. Faced with the prospect of ending the fiscal year with a \$2.5 million shortfall, the City froze salaries, eliminated all out of state travel, implemented a hiring freeze, and discontinued purchases of all non-essential capital equipment. However, the City of Lawton experienced a dramatic financial turn-around due in large part by the sharp reduction in general fund expenditures and decision by City Council to raise utility rates for all it's customers, including several rural water districts. He said this very difficult decision tells only a part of the story; the overall financial picture of the City improved much quicker than expected due to the opening of several large retail commercial businesses, which translated into a significant increase in local sales tax. City sales tax was projected to be 2.5% above the sales tax revenues collected for 02-03, however, Lawton's sales tax collections are actually up more than 8% over last year, which means our revenues are at \$382,000 above the budgeted receipts.

Powell said the latest Audit Report for the 02-03 budget year reveals the City's Fund Balance dropped by \$885,755 from the previous year, but by June 30, 2003, grew by \$607,884. Our recently completed Mid-Year Financial Report clearly reflects a positive trend as the City's projected Fund Balance improved by nearly \$600,000. He said should this budget projection hold true for the balance of the year, the City should very well meet it's Financial Reserve Fund Balance targeted at 5%, a phenomenal achievement, given the economic environment and monetary challenge of the past 12 months.

Summary of City Departments

City Manager: Adoption of 03-04 Municipal Budget. The City starts the new fiscal year with a more realistic approach to revenue and expenditure projections. The City was able to balance the Annual Operating Budget by raising utility revenues and cutting personnel costs. The City was also able to fully fund the Capital Outlay Program, increase the Year End Fund Balance by 50%, Settlement of the Police and Fire Arbitration cases. The City raised wage and benefit issues which adversely impacted the General Operating Budget. The City argued it could not afford to

provide a salary adjustment to one employee group and not offer the same benefit to all employee groups. The Arbitrator in both cases awarded wage and benefit changes with little concern for the long-term impact.

Stabilizing Employee Health Plan

The City resolved the year-to-year financial crisis and uncertainty of the Health Plan by requiring all employees to pay a portion of the monthly premium costs. The additional revenue appears to be offsetting the rising cost of claims.

Oklahoma Strategic Military Planning Commission, better known as BRAC

The City has agreed to participate with four other military communities in the state to develop a state-wide assessment of strengths and weaknesses of those installations. The City has contracted with the Lawton Chamber of Commerce for Phase I of the local assessment grant of \$40,000 and has agreed to provide the local share of \$4,000. A preliminary report is expected in early 2004 and this will be shared with Council in the near future.

National League of Cities Early Childhood Challenge

The City of Lawton is one of two cities in Oklahoma, one out of 107 cities in the United States, to be recognized by the National League of Cities for its commitment to children. Lawton received a Certificate of Recognition from National League President, John Stefania at the annual conference in Nashville. Lawton's Early Childhood Incentives were featured as part of a four member panel discussion on the third day of the conference on December 12, 2003.

Reinstated Wage Benefit for General Employees

The City's financial picture continued to improve. The estimated cost of providing the annual salary adjustment for 480 eligible employees is \$260,000, the total financial impact for all three employee groups is projected to be \$630,000.

Public Works

This has been an exciting year for street maintenance. Workers have completed 95% of our FEMA Program. The use of FEMA funds has significantly improved dozens of street sections within the City. Utility cut repairs resulting from water and sewer leaks have been completed in a timely fashion. Street Maintenance is conducting a maintenance program that has been identified Safety Hazards and has scheduled the repairs. The City's newly annexed areas are being improved; installation of new signs, mowing, and road maintenance. Our new computerized sign making machine has improved productivity and reduced costs. The street painting crew has painted a record number of miles this year and stayed on schedule. We have been very successful with the landfill and efforts to recycle appliances containing refrigerant. Before these appliances can be disposed of, certified technicians must extract the refrigerant. We now have three landfill operators who are EPA Certified to perform this task. Great Plains Technology Center trained our people at no cost to the City of Lawton. Appliances take up a large amount of air space, therefore, we have been recycling this material to make room for Municipal Solid Waste. To date, we have saved 600 cubic yards of air space, which has made room for approximately \$11,000 worth of Municipal Solid Waste.

Phase I Sewer Rehab Progress to Date

The City is meeting DEQ's schedule and will finish by July 2005. The total expended is \$50,397,307 with a cost saving of \$4 million to our citizens, by doing this project in-house. Crews will install 190,000 linear feet, 40,000 more than planned. The project costs are impacted by rising material costs. Construction work in subdivisions 202, 207, 208, 209, 210, Sheridan Road, Downtown, 23rd Street and Kingsbriar are the basic additions that have been worked on.

2001 CIP Highlights

The Water Plant expansion in Medicine Park, a \$34 million project, will be completed in March 2004. Utility relocations have been completed for NW 38th Street, from Cache to Rogers Lane, a \$3.2 million project. Fire Station #5 at Gore and 52nd, a \$1.3 million project, will be completed in late summer. Classes began at the new Lawton Public School, Central Jr. High, a \$12.2 million project, at the first of the year. Flower Mound Road from Gore to Rogers Lane, engineering plans are final and awaiting DOT Program and funding. He said NW 34th Street Drainage Project, a \$2.7 million project, contract was awarded in December 2003. Eastside Park Development, a \$1.4 million project, will be complete and ready for play this spring/summer. We were approved an increase in our jail capacity. We were approved to modify our jail by converting a record storage room to a worker-inmate quarters. This would increase our jail holding capacity by approximately 20 inmates. Funding is presently available to significantly, if not totally, complete this project. At the present time we have received bids for the fire alarm system; these bids are near \$3,500. We are also receiving bids on integrating the fire alarm system into our electronic security system. We have Block Grant funding for our security system's upgrade. We may include a fire alarm at the security system and not have to utilize City funding. We must have the fire alarm system installed and approved by the State Fire Marshal prior to proceeding with any subsequent phases or modifications to the City Jail.

Traffic Monitoring Cameras

We have been researching the possibility and legality of operating traffic monitoring cameras at major intersections having a high number of accidents and traffic violations. At the present time our limited research has revealed the only traffic enforced by the camera is the Oklahoma Turnpike Authority. This was made possible by State Statute, specifically addressing the Oklahoma Turnpike. We have been told it would require a Statuary Authorization for us to utilize camera enforcement. The camera technology exists to accomplish what we want, but we certainly require the legal authority. At the present time we have been unable to find a city in Oklahoma that is making enforcement acts by camera. We are continuing to seek an answer.

Fire

During the first half of 03-04, the Lawton Fire Department responded to 3,119 emergency calls, 6,000 total in 2003. There were 357 fire responses resulting in total property lost due to fire of slightly over \$1 million. The property saved at these same fire responses were well over \$51 million. Total percent of property saved is approximately 98%. During a six month's span, this department has also been instrumental in being awarded over \$1 million in various grants, the vast majority, which are designated by homeland security efforts. We have participated in several exercises including community-wide and WMD Mass-Hazard Exercise at Ft. Sill.

Parks and Recreations

International Festival was held September 26-28 with a record crowd between 35-40,000 in attendance. He said 20 new citizens were nationalized during the opening ceremony. There were 25 food vendors and 18 sell vendors featuring international foods and goods. Other features were various ethnic performances and street dances. We had 4 Adult Softball National-level Tournaments which were hosted in Lawton with a total of 72 teams participating. For the summer of 04, the Lawton Chamber of Commerce and City of Lawton has won the bid for three separate tournaments, the State Co-Ed Classifier Tournament, Men's Slow-Pitch State Championship Tournament, and Women's Class D National Championship Tournament. We hosted a very active fall sports program, with 14 teams, 107 participants and Youth Volleyball Program. The Youth Football program with 51 teams with 758 participants and 27 teams with 396 participants in the Adult Softball Program. The Recreation Center Services sponsored the Back To School Party with over 600 children receiving free school supplies donated by local civic groups. Youth Services partnered with Ft. Sill Youth Services, Wal-Mart, and 4H to sponsor the second annual Kid's Day Celebration on August 2, 2003 at the Museum of the Great Plains. Over 4,000 people attended six hours of activity.

Community Development/Planning Division

They processed over \$182,872 under the ATMGB Safe Room Rebate Program and approximately 35,000 under the HMGB NOAA Radio Program. Staff completed emergency training of Lawton Public Schools personnel and Project Impact Program, along with installing window safety film for all elementary schools at a cost of \$125,000.

Transit

Powell said the transit system collected approximately \$100,000 of revenue with approximately 90,000 in ridership. Transit shelters and benches were installed throughout the City of Lawton-Ft. Sill and continue to do so now.

License Permit Center

License Permit Center reviewed and issued permits for 80 commercial projects and 50 single family homes, valued at \$40 million. They also issued permits for 330 residential/remodel addition projects valued at \$2.8 million.

Building Inspection Division

Performed 3,329 building inspections and 139 civil engineering inspections.

Neighborhood Services

They processed 2,182 complaints, initiated action, processed over 30 dangerous and dilapidated commercial properties, and prepared 460 cost notices.

Housing and Community Development

This division permitted funding for approximately \$3.3 million in projects, serviced low and moderate income citizens. They permitted funding of approximately \$2.4 million under HOME Programs.

Powell said in conclusion, it is important to note the continued economic benefits of Fort Sill, even with the deployment of 5,300 soldiers in the past six months, has not resulted in a negative financial impact on the local economy. In fact, Ft. Sill continues to grow and upgrade many of its military facilities with several new projects which were funded in 2004 at \$43.5 million.

Two additional projects recently completed was the Veteran's Center on Flower Mound Road and the proposed Energetix Plant located east of Goodyear Blvd. He said the \$32 million, state-of-the-art Veteran's Care Center officially opened in early October and serves 300 patients and is scheduled to hire 350 skilled employees. He said this medical residential complex will draw state-wide recognition and will also be the catalyst for additional development activity in east Lawton. The planned Energetix Steam Generation Plant recently secured a favorable ruling from the Oklahoma Corporation Commission. The November 26th decision means that Energetix is one step closer to building their facility in Lawton, which will create 500-600 construction jobs in the near future and upon its completion, the Cogeneration Plant will provide a reliable cost-effective energy source for new or expanding industrial companies.

Powell thanked members of the Lawton City Council for their dedication and devotion to duty. These fine men and women worked countless hours to make our City a better place to live, work, play, and raise a family. He said they often receive little recognition or appreciation for their efforts. Without Council's support, most of the previous things mentioned would not have been possible. He also thanked City staff/employees for their hard work on behalf of our citizens. He said often taken for granted, the service they provide is essential to our health, safety, and welfare. He thanked the countless volunteers who have served our City on Boards, Commissions, and Committees. These generous individuals unselfishly give of their time and talents to improve the quality of our lives.

Powell reiterated what he said at the beginning; the State of our City is outstanding. As we eagerly anticipate the challenge and opportunities of 2004 and beyond, let's celebrate our City. We are a great City because we have great people who work hard and care about each other. He asked every citizen of the Lawton-Ft. Sill Community to search within themselves individually and ask what they can do to help their community as a whole. Ask how you can help the appearance of your community, what can you do to help your own neighborhood, how can you help a neighbor in need, how can you make your City a better place to live and work, and what can you do to unite, rather than divide, your community for our common cause. He asked for us to continue to work together toward common goals to make Lawton-Ft. Sill an even better community. We have had success, but many challenges and opportunities lie ahead. He encouraged all citizens to get involved. We each have special talents and much to offer.

CONSIDER APPROVAL OF MINUTES OF NOVEMBER 25, 2003 SPECIAL MEETING.

MOTION by Devine, SECOND by Haywood, to approve the minutes of November 25, 2003 Lawton Water Authority Special Meeting. AYE: Hanna, Devine, Ewing-Holmstrom, Shanklin, Patton, Haywood, Warren, Bass. NAY: None. MOTION CARRIED.

BUSINESS ITEM:

1. Consider a Resolution authorizing two loans from the Oklahoma Water Resources Board in the combined total aggregate principal amount of \$3,525,922.80; approving the issuance of two promissory notes in the combined total aggregate principal amount of \$3,525,922.80 secured by a pledge of revenues and authorizing their execution; approving and authorizing the execution of a supplemental note indenture; approving and authorizing the execution of two loan agreements; approving and authorizing the execution of other security agreements; ratifying and confirming a lease agreement; approving various covenants; approving and authorizing the execution of other documents and certificates; approving and authorizing payment of fees and expenses; establishing the Authority's reasonable expectations with respect to the issuance of tax-exempt obligations by or on behalf of the City of Lawton, Oklahoma in calendar year 2004 and designating the Series 2004E SRF Promissory Note and 2004F Promissory Note to be a qualified tax-exempt obligation; and containing other provisions relating thereto, and take action. Exhibits: Resolution No. 04-____.

Rick Endicott said in 1998 the Authority and City Council applied for and eventually received an Interim Construction Loan of approximately \$9.5 million for the Sewer Rehab Phase I. These two loans are refinancing the final portion of that loan. He said \$1.3 million will be at 0% interest, \$2.2 million will be at a fixed rate that will be determined at closing. We are anticipating that will be somewhere in the neighborhood of less than 4%.

MOTION by Haywood, SECOND by Devine, to approve Resolution No. 04- 01 authorizing two loans from the Oklahoma Water Resources Board in the combined total aggregate principal amount of \$3,525,922.80; approving the issuance of two promissory notes in the combined total aggregate principal amount of \$3,525,922.80 secured by a pledge of revenues and authorizing their execution; approving and authorizing the execution of a supplemental note indenture; approving and authorizing the execution of two loan agreements; approving and authorizing the execution of other security agreements; ratifying and confirming a lease agreement; approving various covenants; approving and authorizing the execution of other documents and certificates; approving and authorizing payment of fees and expenses; establishing the Authority's reasonable expectations with respect to the issuance of tax-exempt obligations by or on behalf of the City of Lawton, Oklahoma in calendar year 2004 and designating the Series 2004E SRF Promissory Note and 2004F Promissory Note to be a qualified tax-exempt obligation; and containing other provisions relating thereto, and take action. AYE: Devine, Ewing-Holmstrom, Shanklin, Patton, Haywood, Warren, Bass, Hanna. NAY: None. MOTION CARRIED

There being no further business to consider, the meeting adjourned at 6:41 p.m. upon motion, second and roll call vote.

CECIL E. POWELL, CHAIRMAN

ATTEST:

KATHY FANNING, ACTING SECRETATRY