

MINUTES
SPECIAL CALLED MEETING
LAWTON WATER AUTHORITY
MAY 12, 1998 - 6:00 P.M.
WAYNE GILLEY CITY HALL COUNCIL CHAMBER

The meeting was called to order at 6:00 p.m. by Chairman Cecil Powell. Invocation was given by Pastor Harley Shirel, United Pentecostal Church, followed by the Pledge of Allegiance. Notice of meeting and agenda were posted on the City Hall notice board as required by State law.

ROLL CALL

Present: G. Wayne Smith, Richard Williams, Jeff Sadler, John Purcell, Robert Shanklin, Charles Beller, Carol Green, Randy Warren.

Absent: None.

Also Present: Gil Schumpert, City Manager; Felix Cruz, City Attorney; Brenda Smith, City Clerk

PRESENTATION OF CITIZEN OF THE MONTH AWARD TO JACKIE JACKSON

Donna Richey, Mayor=s Commission on the Status of Women, introduced Jackie Jackson, who was accompanied by his wife. She recognized his volunteer efforts in assisting persons with building and repair needs both on his own and through the Baptist Builders group. Powell presented commendations from the City of Lawton, Congressman Watts, and the State Legislative delegation. Jackson said he appreciated the recognition and that he enjoyed being able to assist others.

CONSIDER MINUTES OF SPECIAL MEETING OF APRIL 28 AND SPECIAL MEETING OF APRIL 29, 1998.

MOVED by Williams, SECOND by Smith, for approval of the Minutes. AYE: Williams, Sadler, Purcell, Shanklin, Beller, Green, Warren, Smith. NAY: None. MOTION CARRIED.

BUSINESS ITEMS:

1. Consider electing a Vice Chairman of the Authority. Exhibits: None.

MOVED by Williams, SECOND by Warren, to elect Jeff Sadler as Vice Chairman. AYE: Purcell, Shanklin, Beller, Green, Warren, Smith, Williams, Sadler. NAY: None. MOTION CARRIED.

2. Receive and accept a report from the Authority=s Committee of the Whole relating to funding for infrastructure improvements and repairs for sewer lines and water lines, and make appropriate funding recommendations to the Lawton City Council. Exhibits: None.

Shanklin said the previous discussion was using the \$1.9 million available due to the construction in the last year, plus the \$800,000 for Douglas Avenue Reconstruction gives \$2.8 million. Williams said he did not recall Douglas being identified, although it could be.

Cruz said the committee as a whole met last week and discussed funding for infrastructure; in the final analysis, the committee as a whole recommended to the Authority and Council to consider another sales tax issue which would help finance the infrastructure.

Purcell said it appeared the problem had been solved for year two, but this issue should be for years three through seven for a tax issue for one or one and a quarter percent. Shanklin asked if January 1, 2000, the City would put on a one and a quarter cent sales tax. Purcell said the amount had not been decided and it is included in another item tonight; discussion was a five year term at one or one and a quarter percent. Shanklin said it will take \$1.25 to do the I & I and capital improvements.

Williams said he did not agree that the group reached a general consensus to go out for a sales tax to fund it all, and that he had suggested a blended approach including an increase on the utility bill and a lesser request for sales tax that would take effect January 2000. He said if we are looking for \$3 million to fund sewer repairs and \$1 million each to fund water lines and streets, the \$5 or \$6 utility increase with a one-half cent sales tax would get that funding. Williams said he did not agree to a one or one and a quarter cent sales tax proposal.

Beller said the public voted no on the sales tax issue and feedback indicated opposition due to the 25 year term. He said utility fees must be increased, and a backup program is needed if another sales tax initiative is defeated; utilities would have to be increased because there is not another alternative. Beller said the sales tax issue cannot be brought back before September 10, so four or five months of planning has been lost, and there will not be much support from local merchants for a sales tax issue, and not from the media, and the City cannot pay to promote a sales tax. He said the sales tax issue would hit those on the lower rung of the economic ladder the hardest. Beller suggested an equitable increase in utilities rather than proposing another sales tax.

Warren said one group wants nothing added to the utility bill; if utility bills are increased, that group will vote no on the sales tax. Another group does not want a sales tax, and would vote no on such a request, so the combined approach would meld those two groups together to vote no and the sales tax proposition would not stand a chance. Beller asked if it took only a simple majority for a sales tax issue and Cruz said yes.

Williams said he had confidence in the voters and the Bar S tax comes off in a month; the 1995 CIP one and one quarter cent drops off at the end of 1999, so January 1, 2000, the sales tax would be six and one half cents, with four and a half going to the state and two cents to the city. He said one half cent added to that would bring it to seven percent, and the local merchants he had talked to felt that was a great deal. Williams said Beller mentioned those having a hard time

would have difficulty with the sales tax, so an approach would be to not have it totally on the sales tax, and one element of the community feels there is a problem with the sewer and the repairs should be placed on the sewer bill. Williams said he agreed to an extent but a more fair way would be a combination of utility rates and sales tax.

Shanklin said the one half cent sales tax and \$5 or \$6 on the utility bill will not generate an amount equal to one and one quarter cent sales tax; if you have \$300 million in CIP projects and combat it with \$6 million a year, it would not get done. He said the City has been collecting CIP sales tax for many years, collecting \$6 million, and the City has not made a dent in the problems. Shanklin suggested not raising the utility rates until the budget is solidified to see if rates would have to be raised \$3 or \$7; the figure cannot be determined tonight because the need from the budget is not known. He said a sales tax issue must contain precise projects and language for passage, rather than categories.

Purcell said from his phone calls, with two exceptions, since the tax issue failed, every call was they do not want it on the utility bill, and most agreed it had to be done, and most wanted it as a tax increase, with the two exceptions. He said a large audience is present and suggested they respond as to the preferred method of funding. Powell asked those favoring a tax increase over a utility rate increase to raise their hand and the majority responded by raising their hands. A much smaller number raised their hands preferring a utility increase.

Powell said he had heard that years one and two were taken care of, and several discussions as to what should be done about year three without much consensus at this time. He said he personally would like to see the City have its own crew to put in the sewer lines and do the rehabilitation as a cost effective savings. Powell said he was not knocking those in business, but they operate to make money, and City crews can install and rehabilitate the lines at a considerable savings. He suggested no action be taken tonight and that it be discussed further at a later time.

Beller asked when a decision would have to be made to get a sales tax issue on the September 10 ballot and Cruz said the resolution must be to the county 60 days prior to the election, so that would be in July.

MOVED by Beller, SECOND by Shanklin, to table this and bring it back for discussion after the budget, a workshop. AYE: Shanklin, Beller, Smith, Williams. NAY: Purcell, Green, Warren, Sadler. TIE VOTE, POWELL VOTED YES, MOTION CARRIED.

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3. Consider ratifying the landfill rate increases as adopted by the Lawton City Council in Resolution No. 98-66. Exhibits: City Council Resolution No. 98-66.

MOVED by Purcell, SECOND by Green, to table this to an indefinite date. AYE: Beller, Green, Smith, Williams, Purcell. NAY: Shanklin, Warren, Sadler. MOTION CARRIED.

4. Consider increasing fees for commercial refuse services provided by the City of Lawton, and recommend adoption of the resolution to the City Council. Exhibits: Resolution No. 98-____; Chart of current and proposed rates for commercial containers.

MOVED by Purcell, SECOND by Green, to table this item. AYE: Beller, Green, Smith, Williams, Sadler, Purcell. NAY: Warren, Shanklin. MOTION CARRIED.

There was no further business to consider and the meeting adjourned at 6:25 p.m.

CECIL E. POWELL, CHAIRMAN

ATTEST:

BRENDA SMITH, SECRETARY