

NOTICE OF SPECIAL MEETING

Mayor and Board of Commissioners of the City of Enid, Oklahoma,
the Trustees of the Enid Municipal Authority, a Public Trust,
and the Trustees of the Enid Economic Development Authority, a Public Trust

Notice is hereby given that the Mayor and Board of Commissioners of the City of Enid, Oklahoma, the Trustees of the Enid Municipal Authority, a Public Trust, and the Trustees of the Enid Economic Development Authority, a Public Trust, will meet in special session at 5:00 p.m. on the 7th day of May, 2015, in the Council Chambers of the City Administration Building, located at 401 W. Owen K. Garriott Road in said city, and the agenda for said meeting is as follows:

- AGENDA -

MAYOR AND BOARD OF COMMISSIONERS RESCHEDULED REGULAR MEETING

1. CALL TO ORDER/ROLL CALL.
2. ADJOURN TO CONVENE AS THE ENID ECONOMIC DEVELOPMENT AUTHORITY.
3. TRUSTEES OF THE ENID ECONOMIC DEVELOPMENT AUTHORITY SPECIAL MEETING.
4. ENID ECONOMIC DEVELOPMENT AUTHORITY SPECIAL MEETING.
5. DISCUSS AND TAKE NECESSARY ACTION ON THE FISCAL YEAR 2015-2016 ENID ECONOMIC DEVELOPMENT AUTHORITY FINANCIAL PLAN.
 1. APPROVE AND EXECUTE AN AMENDMENT TO THE REAL ESTATE PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF ENID, THE ENID ECONOMIC DEVELOPMENT AUTHORITY AND HUNT PROPERTIES, INC.
6. ADJOURN TO RECONVENE AS THE ENID CITY COMMISSION.
7. MAYOR AND BOARD OF COMMISSIONERS SPECIAL MEETING.
8. DISCUSS AND TAKE NECESSARY ACTION ON THE FISCAL YEAR 2015-2016 CITY OF ENID BUDGET.
 2. APPROVE AND EXECUTE AN AMENDMENT TO THE REAL ESTATE PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF ENID, THE ENID ECONOMIC DEVELOPMENT AUTHORITY AND HUNT PROPERTIES, INC.
9. ADJOURN TO CONVENE AS THE ENID MUNICIPAL AUTHORITY.
10. TRUSTEES OF THE ENID MUNICIPAL AUTHORITY SPECIAL MEETING.
11. ENID MUNICIPAL AUTHORITY SPECIAL MEETING.
12. DISCUSS AND TAKE NECESSARY ACTION ON THE FISCAL YEAR 2015-2016 ENID MUNICIPAL AUTHORITY FINANCIAL PLAN.
13. ADJOURN.

CERTIFICATE AS TO POSTING

I, the undersigned City Clerk of the City of Enid, Oklahoma, do hereby certify that prior to 5:00 P.M. on the 6th day of May 2015, a true copy of the above Notice of Meeting was posted at the entrance to the Administration Building of the City of Enid, located at 401 W. Owen K. Garriott Road in said City. I further certify that I received at least forty-eight (48) hours advance notice of said meeting as required by State Statutes.

DATED at Enid, Oklahoma this 6th day of May 2015.

City Clerk

(SEAL)

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**MINUTES OF SPECIAL MEETING OF THE
MAYOR AND BOARD OF COMMISSIONERS OF THE CITY OF ENID, OKLAHOMA,
TRUSTEES OF THE ENID MUNICIPAL AUTHORITY, A APUBLIC TRUST,
AND TRUSTEES OF THE ENID ECONOMIC DEVELOPMENT AUTHORITY, A PUBLIC TRUST
HELD ON THE 7TH DAY OF MAY 2015**

The Mayor and Board of Commissioners of the City of Enid, County of Garfield, State of Oklahoma, the Trustees of the Enid Municipal Authority, a Public Trust, and the Trustees of the Enid Economic Development Authority, a Public Trust, met in special meeting in the Council Chambers of the Administration Building of the City of Enid, located at 401 West Owen K. Garriott Road in said city, at 5:00 P.M. on the 7th day of May 2015, pursuant to notice given forty-eight (48) hours in advance to the Clerk of the City of Enid, and pursuant to notice thereof displayed at the entrance to the Administration Building of said city, in prominent view and which notice was posted prior to 5:00 P.M. on the 6th day of May 2015.

-MAYOR AND BOARD OF COMMISSIONERS-

Mayor Shewey called the meeting to order with the following members present and absent:

PRESENT: Commissioners Janzen, Ezzell, Timm, Wilson, Vanhooser and Mayor Shewey.

ABSENT: Commissioner Brownlee.

Staff present were City Manager Jerald Gilbert, Assistant City Manager Joan Riley, City Attorney Andrea Chism, City Clerk Linda Parks, Director of Engineering Services Christopher Gdanski, Chief Financial Officer Erin Crawford, Interim Public Works Director Billy McBride, Planning Administrator Chris Bauer, Director of Marketing and Public Relations Steve Kime, and Human Resources Director Sonya Key.

Mayor Shewey recessed the meeting to convene as the Enid Economic Development Authority.

- TRUSTEES OF THE ENID ECONOMIC DEVELOPMENT AUTHORITY-

PRESENT: Trustees Janzen, Ezzell, Timm, Wilson, Vanhooser, Chairman Shewey, General Manager Jerald Gilbert, Trust Attorney Andrea Chism, and Secretary Linda Parks.

ABSENT: Trustee Brownlee.

Discussion was held on the Fiscal Year 2015-2016 Enid Economic Development Authority (EEDA) Financial Plan.

Opening comments were made by Chief Financial Officer Erin Crawford. Trustees were advised that projected revenues for the EEDA for Fiscal Year 2015-2016 were budgeted in the amount of \$3,581,000, with projected expenses budgeted at \$4,177,500. Major revenue sources and budgeted expenditures were noted, with limited discussion by trustees.

Mr. Brent Kisling, Executive Director of the Enid Regional Development Alliance (ERDA), addressed trustees. He spoke regarding ERDA's partnership with the City of Enid, stating that since 2009, the City had invested a total of \$3,400,000 in the ERDA. He noted that these dollars had been

used in ERDA's aggressive approach in economic development through retail and industrial incentives, business recruitment, technical assistance, and marketing and investments, and had contributed, in part, to a \$273 million increase in annual retail sales, a two percent (2%) decrease in the unemployment rate, a nine percent (9%) increase in Enid's labor force, and over \$2.15 billion in new construction projects in the Enid area over the past six (6) years.

It was noted that Trustee Brownlee arrived at 5:25 P.M., and sat in for the remainder of the proceedings.

Following brief comments by trustees, discussion on the EEDA budget concluded.

Discussion was held regarding an amendment to the Real Estate Purchase and Sale Agreement between the City of Enid, the Enid Economic Development Authority, and Hunt Properties, Inc.

Trust Attorney Andrea Chism explained that the amendment would extend the review period for Hunt Properties, Inc.'s purchase of the Fire Department and park properties to July 7, 2015, and would be in addition to the 30-day extension provided in the original agreement.

Following questions and concerns voiced by trustees, motion was made by Trustee Wilson and seconded by Trustee Brownlee to approve the amendment as requested, and the vote was as follows:

AYE: Trustees Janzen, Brownlee, Ezzell, Timm, Wilson, Vanhooser and Chairman Shewey.

NAY: None.

Chairman Shewey adjourned the meeting to reconvene as the Enid City Commission.

-MAYOR AND BOARD OF COMMISSIONERS-

Discussion was held regarding the Fiscal Year 2015-2016 City of Enid Budget.

Ms. Crawford provided a brief summary of General Fund revenues and expenditures for Fiscal Year 2015-2016. She advised commissioners that sales tax revenues for the upcoming year were budgeted flat, and that estimated revenues represented a decrease of \$380,000.00 due to the reduced reimbursement of PEGASYS funds and a reduction in grant funding. She stated that personnel costs for 2015-2016 were budgeted at 100% as opposed to 90% in Fiscal Year 2014-2015, and that overall, staffing was down by 18 positions across the City from the prior year. A savings of \$813,000.00 was also noted in health and retirement funding due to a reduction in health fund transfers, and the City's reduced match to the 401K Retirement Plan.

Discussion was held on the General Fund departmental budgets.

Concerns were voiced by Commissioner Ezzell regarding the proposed Public Relations/Marketing Budget. He stated that he had compared combined Fiscal Year 2013-2014 budgets for the PEGASYS and Administrative Services departments, and combined Fiscal Year 2015-2016 budgets for the Administration Services and Public Relations/Marketing departments, and it appeared that the City was paying more for the Enid Television Network than what had previously been paid for PEGASYS. He went on to say that when the transition was made to eliminate PEGASYS, commissioners were promised that it would save money. He stated that he didn't object to the theory of having a Public Relations

department. However, aside from the Enid Television Network, he didn't know what the department did, and didn't feel that the City was getting its money's worth.

City Manager Jerald Gilbert responded, stating that from his perspective as City Manager, he was pleased with where the City was with the department. He agreed that it was costing more money, but stated the City had a better product, and a capability that was much better than what PEGASYS had provided, as it prepared resolutions and press releases, managed the website, and provided information about the City to those citizens who previously watched PEGASYS, and now, to those who watched the Enid Television Network.

Mayor Shewey stated that he felt the department was promoting the City in a very professional way. He stated that it was the marketing branch for the City of Enid, and that the City was getting a value for the money.

Following further discussion, Mr. Gilbert stated that the City engaged in this because the Commission as a whole made the decision to go that way. He stated that it was unreasonable to believe that the department would operate with the same budget as PEGASYS, adding that he thought it was worthwhile, and worth funding. He went on to say that staff would do a better job of educating and explaining what the department did in an effort to determine the value the City received, and that he would be glad to visit with commissioners regarding their concerns and suggestions as to how the department could be improved.

Discussion was held regarding the budgeted position for an Event and Recreation Program Coordinator in the Park and Recreation Department, and the position's role with respect to running and coordinating park and recreation programs throughout the city.

Mr. Gilbert stated that originally, the direction the City was going to take, when the position was created, was to run all of the park and recreation programs. Since that time, the concept had been reevaluated, and he didn't feel that this was the direction he saw the City going in. He noted that he would like to leverage the organizations that ran the programs in the community, and utilize their expertise, and their capabilities, to offer and run the programs. However, the specific position was still important, in that this person coordinated special events throughout the year, the scheduling of all of the City's parks, various other recreational programs such as swimming lessons at Champlin Pool, and was a valuable member of the Park team for other duties and special projects as needed and assigned.

Commissioner Vanhooser stated that it was his understanding that the Commission wanted to increase the City's role in overseeing and running the recreational programs for the benefit of all the kids, as well as mowing and maintenance of the fields. He went on to say that to him, it appeared the City was going backward to what was originally intended.

Mr. Gilbert responded, stating that if this was the intent, a staff of people would have to be hired to coordinate the programs, which would cost the City more money than what was currently being spent.

Commissioner Ezzell stated that this issue had been talked about excessively in Park Board meetings. He stated that it would be expensive, but there could be a middle ground where the City did

the scheduling and incorporated valuable volunteer time from the various recreational entities to help coordinate the activities. He also stated that he would like to see the City do some programming to fill a niche that people appreciated, and for quality of life. He went on to say that if this was something commissioners wanted to do, then direction needed to be made abundantly clear at the City Commission level that this was what they wanted. He asked if the Parks and Recreation budget needed to be revisited at a later budget session to consider potential funding options for commissioners to consider that would include some programming and other items as discussed.

Mr. Gilbert stated that the City could definitely look at niche type things that could be done. However, if commissioners wanted to delve deeper into running leagues, staff would have to determine costs which would affect the budget.

Assistant City Manager Joan Riley stated that it was too late in the current year to start the leagues.

Commissioner Vanhooser stated that perhaps part of the directive was that commissioners wanted a clear plan for what to do next year, adding that this could be discussed during the mid-year budget update.

Mr. Gilbert stated that staff would focus on opportunities that could be maximized in the current budget with respect to the Event and Recreation Program Coordinator. He added that if the direction of the Commission was to delve more into what had been discussed, staff would begin looking at options well before next year, and incorporate those ideas in the following year's budget.

A recess was taken from 7:04 P.M. to 7:15 P.M.

Discussion continued on the General Fund departmental budgets.

Lengthy discussion was held regarding Local Program Funding in the General Government Department.

Commissioner Vanhooser asked staff to explain the difference between Local Program Funding and Community Development Block Grant (CDBG) funding, noting that some of the organizations funded under Local Program Funding were additionally funded through CDBG. He also asked who decided what organizations were funded under the Local Program Funding budget item.

Mr. Gilbert responded, stating that traditionally, these organizations were funded under Local Program Funding by the Commission.

Commissioner Vanhooser stated that if CDBG funding was going to be cut in another year or two, so should Local Program Funding as well. He went on to say that there should be a process that was reasonable and fair like the CDBG funding process. He suggested that funding for Booker T. Washington, Youth and Family Services, and Leonardo's be removed, stating that the purpose of the General Government Budget was not to fund non-profit organizations.

Following discussion, motion was made by Commissioner Vanhooser to eliminate funding in the General Government Budget for Booker T. Washington, Youth and Family Services, and Leonardo's in the total amount of \$47,000.

Motion was seconded by Commissioner Timm, and the vote was as follows:

AYE: Commissioners Timm and Vanhooser.

NAY: Commissioners Janzen, Brownlee, Ezzell, Wilson and Mayor Shewey.

Motion failed.

Commissioner Vanhooser stated that he had nothing against these organizations, but the process was wrong.

Commissioner Brownlee agreed, but disagreed with cutting the funding without prior notice to those organizations. He went on to say that if commissioners wanted to cut the funding, give them notice, and then cut it the following year.

City Attorney Andrea Chism was asked if each organization renewed a new contract each year.

Ms. Chism stated that each organization entered into a new contract each year, based on funding requests submitted, and subsequent approval by the Commission.

There being no further comments, discussion on the General Fund departmental budgets concluded.

A brief overview of the Vance Development Authority (VDA) Budget was given by Ms. Crawford. She discussed projected revenues in the amount of \$165,000.00, transferred from the General Fund, and budgeted expenses at \$170,600.00, noting that the VDA funded the contract for Mike Cooper, VDA Consultant, his travel and conference expenses, and the Vance Scholarship Program.

Motion was made by Commissioner Ezzell and seconded by Commissioner Vanhooser to approve and execute an amendment to the Real Estate Purchase and Sale Agreement between the City of Enid, The Enid Economic Development Authority, and Hunt Properties, Inc., and the vote was as follows:

AYE: Commissioners Brownlee, Ezzell, Timm, Wilson, Vanhooser and Mayor Shewey.

NAY: Commissioner Janzen.

Mayor Shewey adjourned the meeting to convene as the Enid Municipal Authority.

- TRUSTEES OF THE ENID MUNICIPAL AUTHORITY-

PRESENT: Trustees Janzen, Brownlee, Ezzell, Timm, Wilson, Vanhooser, Chairman Shewey, General Manager Jerald Gilbert, Trust Attorney Andrea Chism, and Secretary Linda Parks.

ABSENT: None.

Discussion was held on the Fiscal Year 2015-2016 Enid Municipal Authority (EMA) Financial Plan.

Ms. Crawford discussed projected revenues in the amount of \$42,400,420, and projected expenses budgeted at \$47,613,737. She noted that revenues were up \$1.9 million, due, in part, from a decrease of \$2 million from Koch Nitrogen resulting from their re-use of gray water, and offset by the reimbursement from Hunt Properties for the Lahoma Courts project in the amount of \$3.2 million. A review of the EMA's Debt Schedule totaling \$11,627,227 in payments for Fiscal Year 2015-2016 was provided, followed by a review of the individual departmental budgets comprising the EMA.

Mr. Gilbert stated that he, Trustee Brownlee and Ms. Crawford had met earlier in the day with the City's bond counsel and financial advisor, to discuss options to improve the EMA's position to fund and finance the Kaw Lake Pipeline Project. He stated that an option to defease the 1987A Sales Tax Revenue Bonds in the amount of \$10,445,000 had been discussed, which would effectively improve the City's financial position. He advised trustees that the proposal would be brought to them for consideration as soon as possible.

Trustee Brownlee stated that trustees needed to begin changing their mind set to become more focused as they looked for financing options for the pipeline project. He stated they needed to be open to taking on debt to increase the City's cash position, and to prioritize projects to determine the amount of debt they would be willing to take on to raise cash. He stated that defeasing the 1987A Revenue Bonds was a non-issue. It was to the betterment of the City, and didn't cost anything. However, the balance sheet was the larger concern because as the City stood right now, if it tried to secure financing for a \$200 or \$300 million project, it would have a hard time being approved. He added that the City was in great shape, but because of the project, needed to be in really good shape, which could take 12 months or longer to change things around to be better prepared.

In closing, Mr. Gilbert reiterated that there were things that the City could do to put it in a better financial position. He stated that looking forward, if a plan was formulated, there was no doubt in his mind that the City would get to where it needed to be to fund and complete the pipeline project to provide a great source of water for Enid's future.

There being no further business to come before the Board at this time, motion was made by Commissioner Ezzell and seconded by Commissioner Wilson that the meeting adjourn, and the vote was as follows:

AYE: Commissioners Janzen, Brownlee, Ezzell, Timm, Wilson, Vanhooser and Mayor Shewey.

NAY: None.

The meeting adjourned at 8:06 P.M.

CITY OF ENID, OKLAHOMA

BY: _____
WILLIAM E. SHEWEY, MAYOR

(SEAL)

ATTEST:

LINDA S. PARKS, CITY CLERK

ENID MUNICIPAL AUTHORITY

BY: _____
WILLIAM E. SHEWEY, CHAIRMAN

(SEAL)

ATTEST:

LINDA S. PARKS, SECRETARY

ENID ECONOMIC DEVELOPMENT AUTHORITY

BY: _____
WILLIAM E. SHEWEY, CHAIRMAN

(SEAL)

ATTEST:

LINDA S. PARKS, SECRETARY

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