

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 4th day of May, 2016, 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 SPECIAL MEETING

1. CALL TO ORDER/ROLL CALL.
2. DISCUSS AND TAKE NECESSARY ACTION ON THE FISCAL YEAR 2016-2017 CITY OF ENID BUDGET.
3. ADJOURN TO CONVENE AS THE ENID MUNICIPAL AUTHORITY.
4. TRUSTEES OF THE ENID MUNICIPAL AUTHORITY SPECIAL MEETING.
5. ENID MUNICIPAL AUTHORITY SPECIAL MEETING.
6. DISCUSS AND TAKE NECESSARY ACTION ON THE FISCAL YEAR 2016-2017 ENID MUNICIPAL AUTHORITY FINANCIAL PLAN.
7. ADJOURN TO CONVENE AS THE ENID ECONOMIC DEVELOPMENT AUTHORITY.
8. TRUSTEES OF THE ENID ECONOMIC DEVELOPMENT AUTHORITY SPECIAL MEETING.
9. ENID ECONOMIC DEVELOPMENT AUTHORITY SPECIAL MEETING.
10. DISCUSS AND TAKE NECESSARY ACTION ON THE FISCAL YEAR 2016-2017 ENID ECONOMIC DEVELOPMENT AUTHORITY FINANCIAL PLAN.
11. ADJOURN TO RECONVENE AS THE MAYOR AND BOARD OF COMMISSIONERS.
12. ADJOURN.

CERTIFICATE AS TO POSTING

I, the undersigned Assistant City Clerk of the City of Enid, Oklahoma, do hereby certify that prior to 5:00 P.M. on the 3rd day of May 2016, 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 3rd day of May 2016.

Assistant 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 PUBLIC TRUST, AND THE
TRUSTEES OF THE ENID ECONOMIC DEVELOPMENT AUTHORITY, A PUBLIC TRUST,
HELD ON THE 4TH DAY OF MAY 2016**

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 session at 5:00 P.M. on the 4th day of May 2016, in the Council Chambers of the Administration Building of the City of Enid, located at 401 West Owen K. Garriott Road in said city, 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 3rd day of May 2016.

-MAYOR AND BOARD OF COMMISSIONERS-

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

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

ABSENT: Commissioner Wilson.

Staff present were City Manager Jerald Gilbert, City Attorney Andrea Chism, City Clerk Linda Parks, Director of Engineering Services Christopher Gdanski, Chief Financial Officer Erin Crawford, Public Services Director Billy McBride, Public Utilities Director Louis Mintz, Planning Administrator Chris Bauer, Police Chief Brian O'Rourke, Fire Chief Joe Jackson, Director of Marketing and Public Relations Steve Kime, and Human Resource Director Sonya Key.

It was noted that Commissioner Wilson arrived at 5:03 P.M. and sat in for the remainder of the proceedings.

Discussion was held on the Fiscal Year 2016-2017 City of Enid Budget.

Opening Comments were made by Chief Financial Officer Erin Crawford. She stated that budget discussion would begin with the Vance Development Authority Budget, followed by the Police and Fire fund budgets, the Enid Municipal Authority Financial Plan, and the Enid Economic Development Authority Financial Plan.

The Vance Development Authority Budget was presented by Ms. Crawford. She noted an overall decrease from the current year's budget due to utilities on the Vance billboards being lower. She also noted an increase in organizational dues and conferences and training, related to the consultant contract with Mike Cooper. Everything else had remained the same as the current year.

Commissioner Janzen asked if money had been budgeted to replace the covers on the Vance signs.

City Manager Jerald Gilbert stated that that expense had not been budgeted. He also stated that it was not staff's plans to change the signs all at once, which would be a significant expense. He did note, however, that the cover on the sign on Gott Road would be changed during the current fiscal year.

Commissioner Janzen stated that if money for the signs was not budgeted, it should definitely be budgeted in FY2018. The covers on the signs needed to be replaced to promote Vance Air Force Base as originally intended.

Commissioner Janzen asked if the City was contractually obligated to pay Mr. Cooper's cell phone expense.

Mr. Gilbert responded, stating that this expense was provided for in Mr. Cooper's current contract.

Commissioner Timm asked Ms. Crawford to explain the purpose of the Vance Scholarship Program.

Ms. Crawford stated that the Vance Scholarship Program was established by the Vance Development Authority to assist Vance airmen, their spouses, and dependents with tuition and textbook costs while pursuing their degrees. She stated that this cost had decreased over the years because the Federal Government had begun to pick up more of those costs over time, and because the Program wasn't being utilized as much.

Commissioner Timm asked if the budgeted amount of \$30,000.00 could be lowered.

Mr. Gilbert stated that the Vance Development Authority would argue that this was a good benefit. If commissioners wanted to reduce or remove the benefit, that was something that should first be discussed with that Authority.

Police Chief Brian O'Rourke presented the Special Projects Fund Budget. He stated that this budget funded the Narcotics Division of the Enid Police Department. Funds for this budget came from restitutions, and State and Federal seizure money awarded through the courts. Because it was hard to determine how much money would be awarded during the year, the fund had been budgeted at a low revenue rate, and a high expense rate.

Chief O'Rourke spoke regarding the 911 Fund. He stated that next year, the fund was projecting an approximate deficit of \$200,000.00. He stated that 911 funding came from land lines, wireless and VOIP. Those revenues continued to decrease, due in part by land lines being replaced by wireless and internet phones. As a result, he was looking at dipping into the fund balance to get through the year.

Chief O'Rourke stated that he anticipated many changes during the next fiscal year. He stated that the current trend was grouping counties together with a central dispatch center. Preliminary talks had been held with Alfalfa County, and he anticipated meetings with Blaine County to try to get them on board, which would be a great deal for Enid.

Chief O'Rourke stated that the department would run two people short to get by during the next fiscal year. He wanted to shrink the deficit and end the year with a fund balance greater than what was anticipated. He did want, however, to reserve the right to fill those positions if revenues came in at an amount greater than budgeted.

In closing, Chief O'Rourke stated that every 911 center across the state had funding issues. It was his hope that the State Legislature would pass a pending bill that would increase wireless and VOIP fees, which would increase revenues and make the department more sufficient.

The Police Fund Budget was presented by Chief O'Rourke. He stated that this fund was more challenging than those previously discussed. The fund would run a deficit of approximately \$1.747 million, and his goal was to take that deficit and make it manageable.

Chief O'Rourke stated that the biggest problem the department would be facing in the new year was manpower, noting that it was currently running fourteen patrolmen short. Contractual Services and Maintenance and Operation expenses remained the same as the current year, and there was a slight increase in technological expense.

Chief O'Rourke stated that FY2017 would be a challenging year. It would be a tough year. His goal was to improve the deficit, move forward with no huge expenses, and still maintain the same service it provided the citizens of Enid.

Chief O'Rourke spoke regarding the Community Intervention Center (CIC) Fund Budget. He stated that the CIC had been funded through the years by grants from the Office of Juvenile Affairs. The department had recently been notified that the 2017 grant, anticipated at \$129,000.00, would not be funded, which would require the fund to be subsidized by the Police Fund. He noted that the fund would run a \$117,900.00 deficit, and end FY2017 with a projected fund balance of approximately \$8,000.00.

Chief O'Rourke stated that the department currently had two positions open, and would continue to run two people short in FY2017. Operating hours would be reduced, with people on call. This would provide a savings in salaries, healthcare costs, and also in the extra payroll costs, which would allow the department to get through the next budget year.

Chief O'Rourke was asked to speak on a proposal he had received regarding a live fire building.

Chief O'Rourke stated that the proposal a good deal, and he would like to move forward with it. Enid would be the only city in a multi-state area to offer that service. He went on to say that the project would generate revenue, and the City would get a percentage of the profits. However, with a \$2 million deficit, he wanted to see where the budget was going before committing to the project.

Fire Chief Joe Jackson spoke regarding the Fire Fund Budget. He spoke regarding Personnel Services, noting that actual regular pay dropped 1% due to two civilian jobs not being filled. Total Personnel Services costs were up 2%, mainly due to an increase in health insurance costs of \$136,000.00. Contractual Services costs were 12% less than the current year, and Maintenance and Operation costs were 4% under. \$35,000.00 had also been budgeted in Capital Outlay to replace a staff vehicle. He stated that the vehicle would not be purchased unless the economy made an upturn and revenues increased.

In closing, Mr. Jackson stated that the budget was simple, with no frills. It was just getting by, maintaining operations, and keeping personnel at work.

Commissioner Vanhooser addressed comments made during the April 26th special Commission meeting that money being spent on the Public Relations/Marketing Department (PR Department) was excessive and/or inappropriate. He stated that to compare today's PR Department to the previous PEGASYS and its expenditures, was like comparing a Model A Ford to a new Ferrari. Those were not even remotely the same issues. The PR Department budget included all of the Enid Television Network (ETN), all of the internet services, the high definition TV studio, two HD channels, along with seven weekly programs. The PR Department, the marketing department, the television studio and the internet services that the City now had, were probably one of the best in the Midwest, if not the best in the country for a city Enid's size. In his mind, the \$511,000.00 budget was money well spent, and he didn't want any changes made.

Commissioner Ezzell stated that it was hard to compare the PR Department with PEGASYS. The biggest change from the PEGASYS days to the ETN was the change to HD broadcast. However, that was going to happen whether PEGASYS was dissolved or not. He also commented on the Commissioner Vanhooser's comparison of a Model A versus a Ferrari, stating that he wasn't sure the City needed a Ferrari of a television station, especially when the vast majority of those programs weren't being watched. He didn't want to pay \$285,000.00 for programming that no one was watching.

Commissioner Ezzell stated that commissioners were told that taking over PEGASYS would cost less money. That operating costs would decrease. But that hadn't happened. Operating costs had increased. The same discussion had been held during the last budget cycle and nothing had changed. He wanted to see something improve.

Mayor Shewey stated that the PR Department handled much more than just the City of Enid. It was the marketing arm for Enid. Who else would market Enid?

Commissioner Ezzell responded, stating that the Enid Regional Development Alliance, the Enid Convention and Visitors Bureau, and Main Street Enid all marketed Enid.

Commissioner Wilson stated that she didn't feel the department was providing the public relations it should for the citizens of Enid.

Commissioner Janzen stated that he was the one who posed the challenge during the April 26th meeting that money being spent on the PR Department was excessive and/or inappropriate. He didn't have a problem with the work that the department did. However, he did have a problem with the fact that there was no money to pave streets, but there was half a million dollars to spend on public relations. He went on to say that commissioners needed to do a better job of prioritizing what the City spent the taxpayer's money on. He wanted commissioners to look at the City's infrastructure issues, and the things they needed to spend money on before they spent money on public relations and television programs.

Mr. Gilbert stated that if you looked at the numbers, more money was being spent in the PR Department than PEGASYS, but not as much as he had thought. He knew there were areas that could be done better, and staff was working to improve in the public relations area. He was sensitive to

commissioners' comments. It was tough to balance priorities, especially when there was less money. However, he felt that staff had done a relatively good job in presenting the budget, and he relied on commissioners to fix the priorities if they weren't right.

Commissioner Vanhooser stated that he completely agreed with Commissioner Janzen. He stated that every single fund in the budget was up for discussion. He had taken issue with the implication that a promise had been made that PEGASYS could be operated for less money in the future. That was why he had used the analogy between a Model A and a Ferrari. They weren't the same two animals. It wasn't even a fair comparison because they weren't operating PEGASYS any longer, and so many things had been combined. There were no broken promises. This was a different deal. He went on to say that commissioners could question this fund and every other fund as to whether or not that was the best priority use, but it wasn't right to compare the PR Department to PEGASYS and say they had broken promises, because they hadn't. They had a product that wasn't even the same. He had taken that characterization personally because he had driven that issue pretty hard to get rid of PEGASYS, and have what they had today. He was proud of what they had. The PR Department wasn't about water bulletins and street closings. It was about the way it looked to the community.

Commissioner Wilson stated that she appreciated the television station, and she thought it was great. However, she felt the community would like to see the broadcasting of annual events like Tri-State, Chautauqua, and the Cherokee Strip Parade. They shouldn't have to ask for community events to be broadcast. That's what they should be doing. Doing things that the community was involved in and interested in.

Commissioner Brownlee asked if the ETN Advisory Board was still in existence.

Mr. Gilbert stated that the board still existed, but had been inactive for several months. He stated that it was his understanding the board was created to assist with the transfer of PEGASYS, and help with specifications for equipment and things like that. If the Commission wanted the board to become active again, he was open to that.

Commissioner Vanhooser stated that to this point he hadn't seen a need for the board to meet, but he felt it was a good idea. He had looked at that as once the ETN was up and running, the board would help decide what the programming would be, and bring forth projects that they wanted to cover going forward. They could look at current programming and recommend changes from the public's standpoint.

Commissioner Brownlee stated that after looking at the numbers, that was the first step toward putting the PEGASYS/ETN debate to rest. There should no longer be the argument that it was a money issue. While things had changed, money and layout hadn't, and he was pleased with that. Marketing was a challenge, because it was intangible. It was a good department, and he felt that progress had been made in setting objectives for it to meet. That would help the constituents to be better informed, and help the Commission work through issues less challenging and with better transparency. He was in favor of the department's budget, and hopeful that some of the objectives that had been discussed would be achieved.

Commissioner Janzen asked that the Roggow Contract, budgeted at \$48,000.00, be revisited. He stated that the same information provided by Mr. Roggow could be obtained from the Oklahoma Municipal League, and moved to terminate the contract.

Motion died for lack of second.

Commissioner Ezzell stated that he would like to remove the funding budgeted for the Oklahoma Municipal League (OML). OML's lobbying efforts would continue for municipal causes, whether the City of Enid was a member or not. He hadn't seen any concrete benefit, and moved to eliminate the funding for OML.

Motion died for lack of second.

Commissioner Timm asked if staff had come to a conclusion regarding the NAPA contract for on-site turnkey vehicle and equipment parts operation.

Mr. Gilbert stated that staff had numerous concerns with the contract. He also stated that regardless of whether the City continued with NAPA, or someone else, budgeted monies would still be needed to buy parts and supplies. He went on to say that staff was looking into the issues, and that potential proposals, if applicable, would be brought to commissioners for discussion at a future study session.

There being no further discussion, 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. Trust Manager Jerald Gilbert, Trust Attorney Andrea Chism, and Secretary Linda Parks.

ABSENT: None.

Discussion was held on the Fiscal Year 2016-2017 Enid Municipal Authority (EMA) Financial Plan.

Ms. Crawford explained that FY2017 revenues for the EMA had been budgeted at \$38,558,675.00. She stated that the two main sources making up that revenue were utility fees, budgeted at approximately \$27.6 million, and sales tax, budgeted at approximately \$10.8 million. She reviewed each revenue category, noting the following: Water was budgeted at \$11 million, which was \$3 million under FY2016 projections due to a proposed decrease in water usage by Koch Industries; Stormwater was increased by \$50,000.00 and Landfill was increased by \$75,000.00 over revenues budgeted for FY 2016; Trash for residential and commercial services, and sewer services and sewer improvement fees were budgeted flat; Miscellaneous revenues decreased significantly due to the anticipated sale of land in the current budget year; Grant revenue was budgeted at zero as no grants were anticipated in the upcoming year; and Sales Tax Transfers were down, based on actual sales tax collections being projected.

A review of expenses, budgeted at \$35,577,596.00 was then presented. Ms. Crawford noted that that Personnel costs had increased by \$423,000.00 due to a 27th payroll, and an increase in health and retirement costs; Contractual Services had decreased due to sales tax revenues coming in lower, and due to a decrease in utility costs; Maintenance & Operations was slightly under that budgeted for FY2016; and Capital Outlay was significantly lower due to the 1987A Bond being extinguished in the current fiscal year.

A review of the individual EMA departments was then made by Ms. Crawford, followed by brief discussion by trustees.

Chairman Shewey adjourned the meeting to convene as the Enid Economic Development Authority.

-TRUSTEES OF THE ENID ECONOMIC DEVELOPMENT 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 2016-2017 Enid Economic Development Authority (EEDA) Financial Plan.

Ms. Crawford noted that estimated revenues and expenditures for FY2017 had been budgeted at \$3,360,463.00. Changes from FY2016 to FY2017 were noted as follows: The HUD 108 Loan Payment, originally paid from the Community Development Block Grant Fund had been budgeted as both a revenue and expense, based on recommendations by the City's auditor, as was the potential transfer for the 66th Street TIF; There was an increase in incentives due to transfers for Academy Sports and Love's Travel Stop that had not been budgeted in FY2016, and a decrease in the overall transfer from EMA due to reduced property purchases, and appraisals and legal fees. Additional expenses in the proposed budget included the 2015 Taxable Series Note payment, and \$10,000.00 for the Northwest Oklahoma Water Plan.

Mr. Brent Kisling, Executive Director of the Enid Regional Development Alliance (ERDA), addressed trustees, thanking them for their continued support over the past several years. He spoke regarding ERDA's role in economic development, stating that the ERDA had one of the best teams, if not the best team, in the state when it came to being aggressive in economic development. He stated that because of the ERDA's retail and lobbying efforts, its industry and local retail efforts, and the Chamber's and Enid Convention and Visitor's Bureau's efforts, Enid continued to be recognized as one of one of the top communities in the state with respect to economic development.

Mr. Kisling stated that since 2009, the City of Enid had invested a total of \$4 million in the ERDA. That amount, leveraged with 59 member businesses, and \$71 million in state and federal funds, had resulted in over \$76 million in partnerships, one of the largest being the Koch Nitrogen Plant expansion in the amount of \$26 million.

In closing, he stated that the ERDA Board was very passionate about growing Enid. He spoke regarding the various successes during the past year, and spoke regarding active projects for 2016, which included continuing to work with the State of Oklahoma on the NORCE facility, the downtown hotel, a Clean Line Energy project which was a \$2 billion transmission line from Guymon, Oklahoma to Memphis, Tennessee, and the Transportation Partners and Logistics project which was a new trans load facility on 66th Street.

Following brief discussion, Chairman Shewey adjourned the meeting to reconvene as the Enid City Commission.

-MAYOR AND BOARD OF COMMISSIONERS-

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

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

NAY: Commissioner Vanhooser.

The meeting adjourned at 6:53 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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