

**MINUTES OF CLINTON PUBLIC WORKS AUTHORITY MEETING
SEPTEMBER 16, 2014**

Minutes of the regular meeting of the Chairman and Trustees of the Clinton Public Works Authority of Clinton, Oklahoma, Custer County, held in the City Council Room, City Hall on Tuesday, September 16, 2014, at 5:30 p.m. A notice of this meeting with agenda was posted on the bulletin board in the lobby of Clinton City Hall on September 12, 2014.

Chairman Seth Adams called the meeting to order with the following present;

MAYOR: Seth Adams

COUNCIL: Don Rodolph, Jason Hulin, Mustafa Sami, Wheeler Lowry

CITY MANAGER: Mark Skiles

CITY CLERK: Lisa Anders

CITY TREASURER: Debra Blanchard

DEPUTY CLERK: Shona Stermer

CITY ATTORNEY: Ryan Meacham

NEWS MEDIA: Gerald Green, Rod Serfoss and Mike Smith

OTHERS: Kris Wermey, Jeremy Brush, Mary Helen Jones, Gene McCullough, Curtis Maloy, Cheryl McCullers, Tina and Chaillie Challis, Nari Smith, Conan Wilson, David Crabtree, Troy Calvert, Donald Webb, Ed Schwab, Stephanie Cerling, John Mitchell, Brian Meier, Randy Nance, Terry Harms, Judy Johnson, Sally Simon, Betty Schumacher, Mike & Connie Burden, Keaton Modi, Norman Pool, Lynn Maloy, Luke Adams, Mart Tisdal, Mary Ann Morris, Cheryl Lowry Dave Thorp, Valerie Miller, Tim Miller, Timmy Lee, Dr. Floyd Simon, Terry Osborn, David Berrong, L.R. Sights, Kelsie South, Weldon Sawatzky, Stephanie Purvine, Dewayne Kamphaus, Dave Felch, Randy Carpenter and others.

Dan Day of the Ministerial Alliance opened the meeting with prayer and Trustee Lowry led the Pledge of Allegiance.

AGENDA ITEM NO. 3: CONSENT AGENDA

A. Minutes of Regular Meeting of September 2, 2014

Moved by Trustee Sami and seconded by Trustee Hulin that Consent Agenda Item No. 3 (a) be approved.

Chairman put the motion to a roll call vote:

Aye: Sami, Hulin, Lowry, Rodolph, Adams

Nay: None

Chairman declared the motion carried.

AGENDA ITEM NO. 4 ACTION ITEMS

4A. CONSIDER AND TAKE ACTION ON PHASE TWO OF THE OKLAHOMA WATER PRESENTATION

Ed Schwab, Business Development Manager of Severn Trent Services, reviewed the results found in Phase I and completed an overview of Phase Two. He reported that Phase I has been completed and came in on time and in budget. He explained that is a process to be evaluated and no small decision.

Schwab said the process of design-finance-build-own-operate would compress time and lower cost. He said the water rates would be controlled by the Oklahoma Corporation Commission.

John Mitchell of Burns & McDonnell reviewed the options for water from Phase 1.

Brian Meier of Burns & McDonnell reviewed the summary of Phase 1. He reviewed the proposed pipeline route and discussed the concerns of water quality from Canute. He said the Canute water would need to be blended and brought to town. He discussed the water contract with Mr. Dixon for ground water. He said this would help with the short term water supply. He said the Dixon water is not good water but better than the golf course water and it must be blended with Foss water. He said these sources integrate to the long term water plan.

Meier discussed Phase Two A to include the Dixon well and the treatment system. He discussed the proposed treatment site and the right-of-way along the railroad. He said this would allow access with other land owners as possible water sources.

Trustee Rodolph said he had reviewed the contract but needs to know the cost before a vote can be taken.

Trustee Hulin said he had reviewed the state bid prices and compared them to the state cost and felt there was too large a difference.

Schwab said their estimates are high since it was state the amount would be a not to exceed number. He said that as bids come in the numbers would be reduced. He said the number presented is a worst case scenario. He said an adjustment clause had been submitted to the City Manager.

Trustee Rodolph asked about the preliminary plans for the Dixon well.

Meier said the plans would have to be submitted to DEQ and would need to be signed off by the City. He said the next step in the process would be to prepare the blue prints.

Trustee Sami asked what the City can do to reduce the cost and asked about financing and about plant capacity.

Meier said the plant capacity has been reviewed to determine the ideal capacity so as not to over build or under build.

Trustee Hulin asked about the adjustment clause. He asked if the cost of construction is reduced, would this savings be passed on to the City.

Stan of Oklahoma Water Services said the task was for a firm not to exceed number. Options for financing needs to be reviewed and a structure of rates created.

Trustee Hulin said the cost is unclear.

Stan said the reverse osmosis plant would not need to be bid since the team has the expertise to design and build. He said if the project were bid, the cost would increase.

Trustee Sami asked about the financing of the project.

Stan said the cost of the project is \$28 million and the interest rate is 4%.

Trustee Rodolph asked to see the well and design of the pipe line for Phase 2A.

Jake White of Burns & McDonnell said the Dixon well provides ground water that must be blended with Foss to be below the DEQ required levels. He said that DEQ would require weekly test to determine the levels are confirmed.

Trustee Hulin suggested looking at the contract. He said that Phase Two A is vital for emergency basis. He suggested negotiating due to cost reductions.

Stan said the \$1.4 million was a placeholder and could be adjusted to a reasonable amount.

The Authority recommended staff reviewing financing options regarding this project.

Motion was made by Trustee Rodolph and seconded by Trustee Sami to table agenda items A and agenda item B.

Chairman put the motion to a roll call vote:

Aye: Rodolph, Sami, Lowry, Hulin, Adams

Nay: None

Chairman declared the motion carried.

4B. CONSIDER AND TAKE ACTION ON PHASE TWO A OF THE OKLAHOMA WATER PRESENTATION

Trustee members voted to table items 4A and 4B .

4C. CONSIDER WATER PURCHASE AGREEMENT WITH OSIDA (OKLAHOMA SPACE INDUSTRY DEVELOPMENT AUTHORITY).

City Manager Mark Skiles explained that two wells are utilized to provide water to the Lake Treatment Plant from OSIDA.

City Attorney Ryan Meacham said that Public Works Director Donald Webb had negotiation the terms of the agreement and he had drawn up the contract. The terms are \$.10 per 1000 gallons.

Motion was made by Trustee Rodolph and seconded by Trustee Hulin to approve the water purchase agreement with OSIDA.

Chairman put the motion to a roll call vote:

Aye: Rodolph, Hulin, Lowry, Sami, Adams

Nay: None

Chairman declared the motion carried.

AGENDA ITEM NO. 5 TRUSTEE REPORT

Trustee Hulin expressed his appreciation to the team making the presentation regarding water.

AGENDA ITEM NO. 6: MANAGER'S REPORT

City Manager Skiles expressed his appreciation to the citizens who came to the meeting.

AGENDA ITEM NO. 7: AUDIENCE PARTICIPATION

Floyd Hoffman said he had understood that Severn Trent would provide water in 90 days and there is still no water.

Ed Schwab said there would be water in 90 days from the vote to proceed with Phase Two A.

AGENDA ITEM NO. 8: ADJOURNMENT

Moved by Trustee Rodolph and seconded by Trustee Lowry to adjourn the meeting.

Chairman put the motion to a roll call vote:

Aye: Rodolph, Lowry, Sami, Hulin, Adams

Nay: None

Chairman declared the meeting adjourned at 7:15 p.m.