

**Regular Minutes of the Claremore Cultural Development Authority Meeting
Council Chambers, City Hall, 104 S. Muskogee Ave.
Claremore, Oklahoma May 18, 2015**

CALL TO ORDER

Meeting called to order by Mayor Bill Flanagan at 6:00 P.M.

Mayor Bill Flanagan asked Sarah Sharp to note that members are present/absent as indicated below:

Present: Terry Willis, Buddy Robertson, Jeff Godwin, Will DeMier,
Bill Flanagan, Brian Callender, Don Purkey, Susan Kirtley

Absent: David McComb

Staff Present: Jim Thomas, Bryan Drummond, Sarah Sharp, Stan Brown, Joe Kays,
Susy Collins, Tim White, Matt Wilson, Daryl Golbek, Art Andrews,
Jill Ferenc, Jean Hurst, Andy Armstrong, Larry Hughes

Pledge of Allegiance by all.

Invocation by Councilman Purkey

CALL TO THE PUBLIC

None

ACCEPTANCE OF THE AGENDA

Motion by Willis, second by Robertson that the agenda for the regular CCDA meeting of May 18, 2015, be approved as written. Roll call vote: Willis, yes; Robertson, yes; Godwin, yes; DeMier, yes; Flanagan, yes; Callender, yes; Purkey, yes; and Kirtley, yes. Motion carried.

ITEMS UNFORESEEN AT THE TIME AGENDA WAS POSTED

None

CURRENT BUSINESS

(1) Approve/Reject the following consent items:

- (a)** Minutes of the Regular Claremore Cultural Development Authority Meeting on May 04, 2015, as printed.
- (b)** All Claims as printed.

Motion by Willis, second by DeMier that the CCDA approve the consent items as printed. Roll call vote: Willis, yes; Robertson, yes; Godwin, yes; DeMier, yes; Flanagan, yes; Callender, yes; Purkey, yes; and Kirtley, yes. Motion carried.

ADJOURNMENT

Motion by Willis, second by DeMier to adjourn. Roll call vote: Willis, yes; Robertson, yes; Godwin, yes; DeMier, yes; Flanagan, yes; Callender, yes; Purkey, yes; and Kirtley, yes. Motion carried.

Meeting adjourned at 6:02 P.M.



Sarah Sharp, CMC
City Clerk

**Regular Minutes of Claremore Public Works Authority Meeting
Council Chambers, City Hall, 104 S. Muskogee Ave.
Claremore, Oklahoma May 18, 2015**

CALL TO ORDER

Meeting called to order by Mayor Bill Flanagan at 6:02 P.M.

Mayor Bill Flanagan asked Sarah Sharp to note that members are present/absent as indicated below:

Present: Terry Willis, Buddy Robertson, Jeff Godwin, Will DeMier,
Bill Flanagan, Brian Callender, Don Purkey, Susan Kirtley

Absent: David McComb

Staff Present: Jim Thomas, Bryan Drummond, Sarah Sharp, Stan Brown, Joe Kays,
Susy Collins, Tim White, Matt Wilson, Daryl Golbek, Art Andrews,
Jill Ferenc, Jean Hurst, Andy Armstrong, Larry Hughes

ACCEPTANCE OF THE AGENDA

Motion by Willis, second by Robertson that the agenda for the regular CPWA meeting of May 18, 2015, be approved as written. Roll call vote: Willis, yes; Robertson, yes; Godwin, yes; DeMier, yes; Flanagan, yes; Callender, yes; Purkey, yes; and Kirtley, yes. Motion carried.

ITEMS UNFORESEEN AT THE TIME AGENDA WAS POSTED

None

CURRENT BUSINESS

(1) Approve/Reject the following consent items:

- (a) Minutes of Claremore Public Works Authority regular meeting on May 04, 2015, as printed.
- (b) All claims as printed.

Motion by Willis, second by Kirtley to approve the consent items as listed. Roll call vote: Willis, yes; Robertson, yes; Godwin, yes; DeMier, yes; Flanagan, yes; Callender, yes; Purkey, yes; and Kirtley, yes. Motion carried.

(2) Discussion and vote to Approve/Reject Contract Amendment No. 4 to the Agreement for Professional Services between the City of Claremore and Garver, LLC dated October 1, 2012 relating to the Claremore Water Treatment Plant Improvements. (Jim Thomas)

Michael Graves with Garver Engineering was present to discuss the contract amendment with the Council and answer questions.

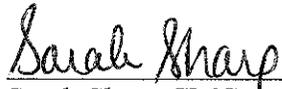
There was discussion regarding wording in contract. Language in the last sentence on last page will be stricken. Both parties agree to the changes.

Motion by DeMier, second by Godwin to approve Contract Amendment No. 4 to the Agreement for Professional Services between the City of Claremore and Garver, LLC dated October 1, 2012 relating to the Claremore Water Treatment Plant Improvements, with the contract amendment as described, and conditional upon the agreement being bilateral. Roll call vote: Willis, yes; Robertson, yes; Godwin, yes; DeMier, yes; Flanagan, yes; Callender, yes; Purkey, yes; and Kirtley, yes. Motion carried.

ADJOURNMENT

Motion by Willis, second by DeMeir to adjourn. Roll call vote: Willis, yes; Robertson, yes; Godwin, yes; DeMier, yes; Flanagan, yes; Callender, yes; Purkey, yes; and Kirtley, yes. Motion carried.

Meeting adjourned at 6:21 P.M.



Sarah Sharp, CMC
City Clerk

**Minutes of Claremore City Council Regular Meeting
Council Chambers, City Hall, 104 S. Muskogee Ave.
Claremore, Oklahoma May 18, 2015**

CALL TO ORDER

Meeting called to order by Mayor Bill Flanagan at 6:21 P.M.

Mayor Bill Flanagan asked Sarah Sharp to note that members are present/absent as indicated below:

Present: Terry Willis, Buddy Robertson, Jeff Godwin, Will DeMier,
Bill Flanagan, Brian Callender, Don Purkey, Susan Kirtley

Absent: David McComb

Staff Present: Jim Thomas, Bryan Drummond, Sarah Sharp, Stan Brown, Joe Kays,
Susy Collins, Tim White, Matt Wilson, Daryl Golbek, Art Andrews,
Jill Ferenc, Jean Hurst, Andy Armstrong, Larry Hughes

ACCEPTANCE OF THE AGENDA

Motion by Willis, second by DeMier that the agenda for the regular City Council meeting of May 18, 2015, be approved as written. Roll call vote: Willis, yes; Robertson, yes; Godwin, yes; DeMier, yes; Flanagan, yes; Callender, yes; Purkey, yes; and Kirtley, yes. Motion carried.

ITEMS UNFORESEEN AT THE TIME AGENDA WAS POSTED

None

AWARDS, PRESENTATIONS, AND COMMUNICATIONS

None

MAYOR'S REPORT & APPOINTMENT

Deputy Mayor/Councilor Willis reminded everyone of the Will Rogers Stampede Rodeo will be held at the Rodeo Grounds this weekend.

STAFF REPORTS

City Manager report the following information to Council:

City crews are trying to get the cemetery in order for Memorial Day. It has been difficult to mow with all the rain we have been receiving.

Saturday evening's storm left about 2,000 residents without electricity. Crews worked all night to get the electric back on.

Police Chief Stan Brown updated the Council on the new storage building that is being constructed at the Police Department. The old building was over 30 years old and had 600 square feet of storage. The new structure is 1900 square feet and is an all metal structure, which means low maintenance. The building also has the capability of adding climate control in the future. Currently 20% of evidence is required to be kept indefinitely. The new building will also allow a secure area for vehicles that need to be processed for evidence in investigations. Brown anticipates the building will meet the needs of the P.D. for at least 10 years.

Electric Director Larry Hughes discussed the progress his department was able to make with the 2 additional employees that were added in FY14. The additional employees allowed 2 crews (3 men each) to be formed. 1 crew works primarily on replacing poles and wires. 76 more poles and 10 more miles of wire were replaced in FY14 than the previous year. This crew is working diligently to increase the integrity of our system. Claremore Electric recently received an electric reliability award.

AMI is scheduled to start on July 1st. They are currently testing the billing system. Only 400 electric meters and 500 water meters are left to install. A majority of the remaining meters are for commercial accounts, and crews are working with them to install the new meters when there is the least amount of disruption to their business.

CURRENT BUSINESS

(1) Approve/Reject the following consent items:

- (a) Minutes of the Regular Meeting on May 04, 2015, as printed.
- (b) All claims as printed.
- (c) Actual salary claims for pay period ending **April 24, 2015** in the amount of **\$434,514.75** and estimated salary claims to include contractual agreements for Fire Union Dues, Flexible Spending Accounts, Life Insurance, Fire Pension, Police Pension, Oklahoma Municipal Retirement Fund, Supplemental Vision, and Short/Long Term Disability Plans, Employee Recreation Center Fees, and United Way Contributions for next pay period in the amount of \$500,000.00. Payroll at \$500,000 amount to include payables.
- (d) Approval to seek bids for Claremore Animal Shelter Veterinary services for the 2015/2016 fiscal year. **(Jean Hurst)**
- (e) Approval to seek proposals for medical evaluation services for the Fire Department **(Sean Douglas)**

Motion by Purkey, second by DeMier to approve the consent items as listed. Roll call vote: Willis, yes; Robertson, yes; Godwin, yes; DeMier, yes; Flanagan, yes; Callender, yes; Purkey, yes; and Kirtley, yes. Motion carried.

(2) Discussion and vote to Approve/Reject Interlocal Contract for Governmental Services between the Board of County Commissioners of Rogers County

Oklahoma and the City of Claremore for milling of parking lot located at the new Senior Center/Fire Administration facility located at the intersection of Blue Starr Drive and Sioux Ave. (Bryan Drummond)

Motion by Godwin, second by Willis to approve the Interlocal Contract for Governmental Services between the Board of County Commissioners of Rogers County Oklahoma and the City of Claremore for milling of parking lot located at the new Senior Center/Fire Administration facility located at the intersection of Blue Starr Drive and Sioux Ave. Roll call vote: Willis, yes; Robertson, yes; Godwin, yes; DeMier, yes; Flanagan, yes; Callender, yes; Purkey, yes; and Kirtley, yes. Motion carried.

(3) Discussion and vote to Approve/Reject holding a CDBG 2015 (Community Development Block Grant) Needs Hearing on the Claremore Small Cities Program. (Andy Armstrong/Art Andrews)

Motion by Willis, second by Kirtley to approve holding a CDBG 2015 (Community Development Block Grant) Needs Hearing on the Claremore Small Cities Program. Roll call vote: Willis, yes; Robertson, yes; Godwin, yes; DeMier, yes; Flanagan, yes; Callender, yes; Purkey, yes; and Kirtley, yes. Motion carried.

Hearing opened at 6:53 p.m.

Andy Armstrong described the project and the process of the CDBG. The amount Claremore will receive this year has increased this by about \$20,000 over last year. These funds are matched dollar for dollar by the City and are currently being used for sanitary sewer rehabilitation projects.

There were no public comments.

Motion by Purkey, second by Willis to close the public hearing. Roll call vote: Willis, yes; Robertson, yes; Godwin, yes; DeMier, yes; Flanagan, yes; Callender, yes; Purkey, yes; and Kirtley, yes. Motion carried.

Hearing closed at 6:56 p.m.

(4) Discussion and vote to Approve/Reject the FY15 CDBG Citizens Participation Plan for the City of Claremore. (Art Andrews/Andy Armstrong)

Motion by Willis, second by DeMier to approve the FY15 CDBG Citizens Participation Plan for the City of Claremore. Roll call vote: Willis, yes; Robertson, yes; Godwin, yes; DeMier, yes; Flanagan, yes; Callender, yes; Purkey, yes; and Kirtley, yes. Motion carried.

(5) Discussion and vote to Approve/Reject Ordinance #2015-____, changing the zoning of land in Lots 21, 22, 23, 24, 25, & the W2 of Lot 26 in Block 39 of Bayless Addition, City of Claremore, Rogers County, State of Oklahoma, from

Residential Single-Family High Intensity (RS-3) to Residential Duplex District (RD) and directing the appropriate amendment to the zoning map of the City of Claremore, Oklahoma. (Jill Ferenc)

Motion by Godwin, second by Kirtley to approve Ordinance #2015- 12, changing the zoning of land in Lots 21, 22, 23, 24, 25, & the W2 of Lot 26 in Block 39 of Bayless Addition, City of Claremore, Rogers County, State of Oklahoma, from Residential Single-Family High Intensity (RS-3) to Residential Duplex District (RD) and directing the appropriate amendment to the zoning map of the City of Claremore, Oklahoma. Roll call vote: Willis, yes; Robertson, yes; Godwin, yes; DeMier, yes; Flanagan, yes; Callender, yes; Purkey, yes; and Kirtley, yes. Motion carried.

6) Presentation and discussion of the 2015/2016 Preliminary Fiscal Year Budget. (Susy Collins)

City Manager Jim Thomas read the budget message. Thomas stated a public Hearing will be held on June 1st. All Department Heads will be at the meeting to answer any questions.

No action was taken on item 6.

ADJOURNMENT

Motion by Willis, second by Kirtley to adjourn. Roll call vote: Willis, yes; Robertson, yes; Godwin, yes; DeMier, yes; Flanagan, yes; Callender, yes; Purkey, yes; and Kirtley, yes. Motion carried.

Meeting adjourned at 7:18 P.M.



Sarah Sharp, CMC

City Clerk



May 18, 2015

FY 2016 BUDGET MESSAGE

Honorable Mayor and Members of the City Council:

Pursuant to the City Charter Article 5 Section 503, this correspondence is for the purpose of transmitting the City Budget Proposal for FY 2016. The budget includes realistic, conservative revenue projections and expenses addressing all municipal operations along with enterprise funds, trusts, and City debt obligations. The budget as presented is balanced, with a focus on supporting long range strategic goals outlined in the "Claremore 2020 Strategic Plan." The FY 2016 recommended budget as outlined required difficult choices and decisions, but it is sound in its fiscal purpose as we have balanced our revenues and expenditures to provide the kind of quality service our Claremore residents have come to expect.

FY 2015 Budget

\$73,959,188

FY 2016 Budget

\$79,197,973

{ \$5,278,785 }

Additional Revenue/Expenses FY 2016

Water rate increase	\$1,200,000
GRDA Rate Increase (5%)	425,000
Growth & Hotel Room Tax	<u>+ 60,000</u>
	\$1,685,000

Carryover Projects Not Completed FY 2015 - Forwarded to FY 2016

+ \$2,339,353

SUBTOTAL \$4,024,353



New Expenses FY 2016

Smart Grid System \$900,000

Additional Personnel:
Assistant City Manager
Fire
Public Works
Step Increases
Health Insurance

Due to the economic challenges facing our city with the oil and gas industry being negatively affected with personnel layoffs in all three of our major employers and relatively flat sales tax growth, I have built the FY 2016 budget around a 0% salary increase for all employees. This decision did not come easily but I felt it was necessary to ensure we have revenues to meet our expenses. Over the last two years, we have adjusted our water, sewer, and sanitation rates and have passed these costs on to our citizens and businesses. Our employees have received salary adjustments over the last two years and the City has absorbed healthcare increases passed along by the implementation of the Affordable Health Care Act. In the spirit of partnership, we must continue to reevaluate our financial resources and explore options to address our ongoing capital needs of infrastructure both above and below ground.

The FY 2016 budget required a fee adjustment to our water rates to support renovating the \$21M water treatment plant. The new rates went into effect May 1, 2015. We are planning on submitting for final approval a qualified contractor for this project at the June 15th City Council meeting. As we have also discussed, a review of the rate structure involving payments to GRDA will be forthcoming in the months ahead. GRDA, which supplies our electricity, is moving away from cheaper coal burning electric generations to more expensive natural gas. The current facility under construction in Chouteau is approximately \$400,000,000 and is a natural gas facility. We have been put on notice that we can expect about a 5% increase in the cost of the electricity we purchase from GRDA, effective January 1, 2016.

This budget invests in both human and infrastructure capital as both are important as we move our city forward in the years ahead. Adopting the City Budget is one of the most important public policy decisions the City Council will make during the fiscal year. This document will be a guiding light that will allow the City Administration to focus like a laser on the goals and objectives which will plant seeds for success in the coming years.



The FY 2016 budget emphasizes our mission:

- 1) City planning and economic development
- 2) Water quality
- 3) Infrastructure – roads, storm water, and an east/west corridor to SH 20
- 4) Reinventing of our municipal operations
- 5) Tourism

I have stated publicly many times over the last 30 months our city is moving in the right direction. We are on an upward trajectory. Our best days lie ahead. This is all still true. Lately the economy has stalled with the hit to the oil and gas industry and its effect on our major employment centers here in Claremore. We have seen our sales tax growth remain almost flat compared to last year's due to retail opportunities in our surrounding cities of Catoosa, Owasso, Oologah and Chelsea. Our city government relies on retail sales tax to support our police, fire, public works, and general government operations. The FY 2016 budget reflects an estimated \$10.8M in sales tax revenue. This is comparable to what we generated in FY 2015. Our general government fund reserves or our rainy day fund have slowly increased from a mere \$600,000 in FY 2011 to more than \$4.5M as we closed out FY 2014. This reserve is for one time emergency operational needs, not to be used for ongoing personnel or maintenance costs. Our increase in financial reserves has been accomplished by managed, disciplined spending by City department directors and conservative revenue projections.

No one city department is an island unto itself; together we work to meet the expectations of our citizens and businesses. Each departmental organization has been tasked with challenging the "status quo" and we will continue to reinvent our operations as we go forward in the new fiscal year.

The City will continue to facilitate partnerships with the business community and strengthen our relationships with RSU and the Rogers County Commission as we strive to collaborate on projects that are not redundant and improve the quality of life for our citizens. Our residents have much to be proud of and our expectations for the future are high. The City Administration will invest in major programs which will allow for greater efficiency and cost effectiveness when fully implemented in the year ahead.

We are continuing to aggressively take steps in building an economic development team with a can-do positive business attitude which will allow for employment opportunities and retail sales growth. The City achieved retail gross sales revenue of more than \$350,000,000 which translates into more than \$10,000,000 in sales tax revenue to support City operations. I have challenged the CIEDA Board and Executive Director Jeri Koehler to reach \$500,000,000 in gross sales by the year 2020, which is about a 43% increase. This is all achievable as we continue to work together.

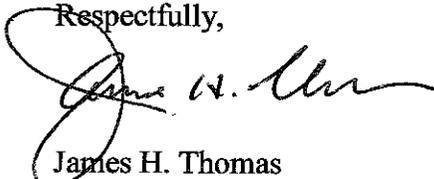
The City of 
Claremore
CITY MANAGER'S OFFICE

The Convention and Visitor's Bureau (CVB) has been transitioning to the consolidated Claremore Expo and Visitor's Development Office under the new leadership of Tanya Andrews. She, too, has been challenged to grow our tourism attendance in Claremore. We currently have about 500,000 visitors a year to our community. As we look to challenges ahead and to the year 2020, I have also extended that same challenge to this new consolidated organization led by Tanya to achieve 1.5 million visitors by the year 2020. The goal of Claremore becoming a regional leader in developing retail destination opportunities for our citizens is paramount. The City Administration continues to promote economic development with our banks, homebuilders, Chamber of Commerce, Main Street, and our industrial partners. We continue to encourage our citizens and businesses to shop Claremore first.

In closing, a few thoughts about our future as a city. As we look to a new year and grand visions, I am drawn back to May 10, 1869, when at Promontory Summit, a ceremonial railroad spike was driven that joined the Union Pacific and Central Pacific railroads. I am calling for such a similar event, the **"Claremore Interlocking Railroad Summit,"** which will bring leaders of both railroads, the BNSF and Union Pacific, to discuss a new era of partnership and a clear resolution to our train traffic. This will be an historic event, with representatives from the U.S. Senate, Congress, the Governor's office, our state legislative leaders, county commissioners, the Oklahoma Department of Transportation, the Federal Railroad Administration, professional engineers, businesses, and city leaders, all coming together at one time to sit around the table and discuss **"Claremore's Interlocking Railroad Summit."** We cannot continue to pass the rail problems onto future generations and expect our City to prosper. The time is now for leaders to demonstrate leadership and address the problem with real solutions. Let us look back five years from now and say we made a difference that will stand the test of time.

The FY 2016 Budget is hereby submitted with the assistance of Susy Collins and Suzan Maloy. They have done a great job of working tirelessly to meet the challenges of balancing the budget with needs vs. wants. Yes, I have had a few sleepless nights, but in the end we pulled it together, and for that I am grateful for their service and our continued working relationship as we go forward in this new year. Our best days are still ahead of us, so to our destiny we go, with a sense of optimism and realism that yes, this is our time.

Respectfully,



James H. Thomas
City Manager