

**MINUTES OF THE REGULAR MEETING OF
OF THE MOORE CITY COUNCIL
THE MOORE PUBLIC WORKS AUTHORITY
AND THE MOORE RISK MANAGEMENT BOARD
MAY 19, 2008 – 6:30 P.M.**

The City Council of the City of Moore met in the City Council Chambers, 301 North Broadway, Moore, Oklahoma on May 19, 2008 at 6:30 p.m. with Mayor Glenn Lewis presiding.

David Roberts
Councilman, Ward I

Robert Krows
Councilman, Ward I

Kathy McMillan
Councilwoman, Ward II

Janie Milum
Councilwoman, Ward II

Shelia Haworth
Councilwoman, Ward III

Terry Cavnar
Councilman, Ward III

PRESENT: Krows, McMillan, Haworth, Cavnar, Roberts, Milum, Lewis
ABSENT: None

STAFF MEMBERS PRESENT: City Manager, Steve Eddy; Assistant City Manager, Stan Drake; City Attorney, Randy Brink; Fire Chief, Charles Stephens; Economic Development Director, Deidre Ebrey; Community Development Director, Elizabeth Jones; Emergency Management Director, Gayland Kitch; Risk Manager, Gary Benefield; Finance Director/City Clerk, Jim Corbett; Parks and Recreation Director, Carson Lynch; Police Chief, Ted Williams; Public Works Director, Richard Sandefur; and Veolia Water Project Manager, Robert Pistole.

Mayor Lewis read a proclamation declaring May 31, 2008 as "World No Tobacco Day". Stacy Pickens accepted the proclamation as Vice-President of Westmoore High School's Students Working Against Tobacco ("SWAT").

Agenda Item Number 2 being:

- A) RECEIVE AND APPROVE THE MINUTES OF THE REGULAR CITY COUNCIL MEETING HELD MAY 5, 2008.
- B) APPROVE THE RENEWAL OF A CONTRACT BETWEEN THE CITY OF MOORE AND THE MOORE COUNCIL ON AGING TO PROVIDE COMMUNITY SERVICES FOR SENIOR CITIZENS OF MOORE.
- C) APPROVE AND RATIFY CLAIMS AND EXPENDITURES FOR FY 2007-2008 IN THE AMOUNT OF \$1,473,656.17.

Steve Eddy, City Manager, advised that COTPA received grant funds to assist with the transport of senior citizens to medical appointments outside the city limits of Moore. Mr. Eddy indicated that staff would meet with COTPA shortly to learn more about the program, but he understood that COTPA anticipated the program to begin around July 1, 2008.

Councilwoman Haworth moved to approve the consent docket in its entirety, second by Councilman Krows. Motion carried unanimously.

Ayes: Krows, McMillan, Haworth, Cavnar, Roberts, Milum, Lewis
Nays: None

Agenda Item Number 3 being:

CONSIDER APPROVAL OF THE FY 07-08 GASB 45 FINANCIAL REPORT PERTAINING TO POST EMPLOYMENT BENEFITS.

Jim Corbett, Finance Director, advised that the Governmental Accounting Standards Board (GASB) was the governing body that sets the official accounting standards for state and local governments within the United States. He stated that GASB generated a new policy that required municipalities to report estimated costs for retiree health benefits. Mr. Corbett stated that Randy Gomez with Alliance Benefit Group was in attendance at the meeting to report his estimates of post employee benefit costs. The report primarily covered health, dental, vision, and life insurance. Mr. Corbett distributed copies of a power point presentation which Mr. Gomez gave to the City Council outlining his findings.

Mr. Gomez advised that in order for retirees to be a part of the health care program they must pay the required contributions and meet eligibility requirements. He stated that eligibility requirements for police and fire require 20 years of service with the city. All other employees must have 20 years of service or 70 points calculated by adding the employee's age to their years of service. If the retiree pays the contributions and meets the minimum requirements, the retiree pays 85% of a negotiated premium. However, this amount is not enough to cover the actual health care costs, which the City subsidizes. The City also offers a \$300 opt-out benefit per month for those Medicare eligible retirees who choose to opt out of the City's health care plan. This amount would be enough to pay for a very good supplemental health care benefit with some drug coverage. Mr. Gomez advised that spouses of deceased retirees would also be eligible for the \$300 opt-out benefit.

Mr. Gomez stated that he calculated the cost of retiree health care by taking the expected claims, adding the fixed costs such as administration costs, add inflation, and divide that figure by the number of employees, to get the negotiated premium rate. The result was a premium of \$364 per month for single coverage and \$880 per month for family coverage. However, he advised that the premiums do not generate enough money to cover the real costs, which ultimately was made up by the City through additional funding.

If all current employees and retirees are used to calculate the premium rate an average premium cost per month for each person for single coverage is \$415 per month. This is a blended calculation of active and retired employees. GASB 45 deals only with retirees. Single premium coverage calculated solely for retirees is \$850 per month. This is much higher than the negotiated amount that has been offered to date. Single premium coverage for active employees only was calculated at \$240 per month.

Health care coverage for a retiree who leaves the City at age 55 and pays 85% of the premium was outlined by graphical representation along with the real costs. The difference is the subsidy that the accounting rules require to be allocated back to the City. Also shown on the graph are those employees who reach the age of 65 and become eligible for Medicare who opt out of the plan for \$300 a month. The representation also shows the employee to opt out from 65 until his death at age 80. Over that 25 year period that the employee was retired prior to his death, the City spent \$147,000 in subsidies. On a present value basis at age 55 the total worth of the benefit would be \$96,000.

Mr. Gomez discussed what current GASB rules require. Each year the City was forced to spend cash to pay claims as they came due. Each year the finance director would record an expense equal to the cash expenditure. Under GASB 45 the City would be required to expense cash today, or record liabilities, that the City would not incur for many years in the future. This means that when the City does year end close for next fiscal year the City will have a section entitled Required Supplemental Information that must reflect a \$10 million unfunded liability. He added that this was an actual official number that was calculated for the report. Mr. Gomez advised that this was a disclosure that would not directly affect the financials.

During the year it was estimated that the City would pay \$161,000 in cash to pay current year claims. Because the new accounting rules require the City to expense \$161,000, plus a portion of future estimated claims, the total expense would reflect \$1,312,000. The Income Statement would then reflect a shortfall because the debits would not equal the credits. A Balance Sheet must then reflect a liability of \$1,151,000 and a Fund Balance reduction by the same amount, \$1,151,000, in order to make the debits equal the credits. He added that on paper the future liability must be reduced from the fund balance.

Mr. Gomez stated that the new GASB 45 rule could affect the City's credit ratings. Each year the City is responsible for approving a budget based on estimates for retiree benefit costs based on the previous year's numbers. However, due to the new GASB standards if the City decided to sell a bond, a bond rating agency would look at the City's financials and could ask how the City could afford to repay a bond when the financials reflect an escalating retiree health care expense that goes up from \$161,000 in 2008 to \$453,000 in 2013.

If the Council feels that they understand the numbers and can live with it then nothing needs to be done. In two years an update to the numbers may be obtained. However, Council may feel that the liabilities need to be managed in some way, by prefunding with assets, plan redesign, raising retiree contributions by increasing premiums, or reducing benefits by raising deductibles or co-pays.

Mr. Gomez asked for comments or questions. Councilman Roberts asked if the City had enough employees to make a fully self-insured plan feasible. Mr. Gomez felt that the City probably was on the borderline for a fully self-insured program to make good financial sense, although the issue should be revisited every few years. The benefit of being self-insured is getting relief of state mandated benefits and having more control over claim payments. During a good claims year the City could also retain any profits.

Steve Eddy, City Manager, commented that staff has looked into other types of programs in the past and found them to be much more expensive.

Councilman Krows moved to approve FY 07-08 GASB 45 Financial Report pertaining to post employment benefits, second by Councilman Roberts. Motion carried unanimously.

Ayes: Krows, McMillan, Haworth, Cavnar, Roberts, Milum, Lewis
Nays: None

Agenda Item Number 4 being:

CONSIDER A LOT SPLIT LOCATED IN THE OLDE STONEBRIDGE ADDITION, SECTION 8, BEING NORTH OF SE 4TH STREET AND WEST OF RIVERSIDE DRIVE. APPLICATION BY JON W. CROY AND CAROLYN KAY CROY.

Elizabeth Jones, Community Development Director, advised that the proposed lot split request is located on Riverside Drive in the Olde Stonebridge Addition, Section 8. The applicants wish to split the existing lot in half and construct their residence on one lot and sell the other lot to family members. The property is located in an R-1 zoning district and meets all R-1 requirements.

Councilman Krows asked what size the adjoining properties were. Ms. Jones stated that the lot size was common within the addition.

Councilman Krows moved to approve a lot split in the Olde Stonebridge Addition, Section 8, being north of SE 4th Street and west of Riverside Drive, second by Councilwoman McMillan. Motion carried unanimously.

Ayes: Krows, McMillan, Haworth, Cavnar, Roberts, Milum, Lewis
Nays: None

Agenda Item Number 5 being:

CONSIDER AWARDDING BID NO. 078-012 "PYROTECHNIC PRODUCTION NOT TO EXCEED \$20,000 TO WESTERN ENTERPRISES, INC. IN THE AMOUNT OF \$19,750.

Fire Chief Charles Stephens advised the City received two bids with the low bid from Western Enterprises in the amount of \$19,750. Chief Stephens stated that Western Enterprises proposed the same fireworks show that the City received for the past few years.

Councilwoman Haworth moved to award Bid No. 078-012 "Pyrotechnic Production Not to Exceed \$20,000 to Western Enterprises, Inc. in the amount of \$19,750, second by Councilwoman Milum. Motion carried unanimously.

Ayes: Krows, McMillan, Haworth, Cavnar, Roberts, Milum, Lewis
Nays: None

Agenda Item Number 6 being:

DISCUSS AND CONSIDER IMPROVEMENTS TO THE EXISTING SIGNAL LIGHTS LOCATED BETWEEN TELEPHONE ROAD AND S. BROADWAY ON SW 19TH STREET.

Stan Drake, Assistant City Manager, stated that traffic engineers with Traffic Engineering Consultants proposed signal light improvement on SW 19th Street between Telephone Road and S. Broadway to assist with traffic congestion issues. They propose adding "Dallas Phasing" at SW 19th and the east and west service roads, and at Riverwalk Drive and Telephone Road. Each signal light would work independently to provide more flexibility with the timing of the lights, allowing the heavier traffic to flow more freely. It would also allow more turning movements for left turn bays at each intersection. A five signal head at 19th and Telephone would be added for north and south bound traffic.

Councilman Krows moved to approve improvements to the existing signal lights located between Telephone Road and S. Broadway on SW 19th Street, second by Councilman Cavnar. Motion carried unanimously.

Ayes: Krows, McMillan, Haworth, Cavnar, Roberts, Milum, Lewis
Nays: None

Agenda Item Number 7 being:

CONSIDER AND IF DEEMED APPROPRIATE ACCEPT NOMINATIONS AND ELECT A VICE-MAYOR.

Councilwoman McMillan moved to nominate Robert Krows as Vice-Mayor, second by Councilman Roberts. Motion carried unanimously.

Ayes: Krows, McMillan, Haworth, Cavnar, Roberts, Milum, Lewis
Nays: None

Agenda Item Number 8 being:

CONSIDER AND IF DEEMED APPROPRIATE ACCEPT NOMINATIONS AND ELECT A MEMBER AND AN ALTERNATE TO SERVE ON THE ACOG BOARD OF DIRECTORS, INTERMODAL TRANSPORTATION POLICY COMMITTEE, GARBER WELLINGTON POLICY COMMITTEE, AND THE 911 ASSOCIATION BOARD OF DIRECTORS.

Councilman Krows moved to nominate Kathy McMillan as a member of the ACOG Board of Directors, Intermodal Transportation Policy Committee, Garber Wellington Policy Committee, and the 911 Association Board of Directors, second by Councilwoman Haworth. Motion carried unanimously.

Ayes: Krows, McMillan, Haworth, Cavnar, Roberts, Milum, Lewis
Nays: None

Councilman Krows moved to nominate Shelia Haworth as an alternate member of the ACOG Board of Directors, Intermodal Transportation Policy Committee, Garber Wellington Policy Committee, and the 911 Association Board of Directors, second by Councilwoman McMillan. Motion carried unanimously.

Ayes: Krows, McMillan, Haworth, Cavnar, Roberts, Milum, Lewis
Nays: None

THE CITY COUNCIL MEETING WAS RECESSED AND THE MOORE PUBLIC WORKS AUTHORITY MEETING CONVENED AT 7:02 P.M.

Agenda Item Number 9 being:

CONSENT DOCKET:

- A) RECEIVE AND APPROVE THE MINUTES OF THE REGULAR MOORE PUBLIC WORKS AUTHORITY MEETING HELD MAY 5, 2008.
- B) APPROVE AND RATIFY CLAIMS AND EXPENDITURES FOR FY 2007-2008 IN THE AMOUNT OF \$543,162.10.

Trustee Haworth moved to approve the consent docket in its entirety, second by Trustee McMillan. Motion carried unanimously.

Ayes: Krows, McMillan, Haworth, Cavnar, Roberts, Milum, Lewis
Nays: None

Agenda Item Number 10 being:

CONSIDER AND IF DEEMED APPROPRIATE ACCEPT NOMINATIONS AND ELECT A VICE-CHAIR OF THE TRUST.

Trustee Roberts moved to nominate Roberts Krows as ~~Mayer~~ Vice-Chairman of the Trust, second by Trustee McMillan. Motion carried unanimously.

Ayes: Krows, McMillan, Haworth, Cavnar, Roberts, Milum, Lewis
Nays: None

Agenda Item Number 11 being:

CONSIDER AND IF DEEMED APPROPRIATE ACCEPT NOMINATIONS AND ELECT A SECRETARY OF THE TRUST.

Trustee Cavnar moved to nominate Shelia Haworth as Secretary of the Trust, second by Trustee Krows. Motion carried unanimously.

Ayes: Krows, McMillan, Haworth, Cavnar, Roberts, Milum, Lewis
Nays: None

THE MOORE PUBLIC WORKS AUTHORITY MEETING WAS RECESSED AND THE MOORE RISK MANAGEMENT MEETING CONVENED AT 7:04 P.M.

Agenda Item Number 12 being:

CONSENT DOCKET:

- A) RECEIVE AND APPROVE THE MINUTES OF THE REGULAR MOORE RISK MANAGEMENT MEETING HELD MAY 5, 2008.
- B) APPROVE AND RATIFY CLAIMS AND EXPENDITURES FOR FY 07-08 IN THE AMOUNT OF \$135,608.66.

Trustee Haworth moved to approve the consent docket in its entirety, second by Trustee Krows. Motion carried unanimously.

Ayes: Krows, McMillan, Haworth, Cavnar, Roberts, Milum, Lewis
Nays: None

Agenda Item Number 13 being:

CONSIDER AND IF DEEMED APPROPRIATE ACCEPT NOMINATIONS AND ELECT A VICE-CHAIR OF THE MOORE RISK MANAGEMENT BOARD.

Trustee Roberts moved to nominate Roberts Krows as Vice-Chair of the Moore Risk Management Board, second by Trustee Cavnar. Motion carried unanimously.

Ayes: Krows, McMillan, Haworth, Cavnar, Roberts, Milum, Lewis
Nays: None

Agenda Item Number 14 being:

CONSIDER AND IF DEEMED APPROPRIATE ACCEPT NOMINATIONS AND ELECT A SECRETARY OF THE MOORE RISK MANAGEMENT BOARD.

Trustee Roberts moved to nominate Terry Cavnar as Secretary of the Moore Risk Management Board, second by Councilman Krows. Motion carried unanimously.

Ayes: Krows, McMillan, Haworth, Cavnar, Roberts, Milum, Lewis
Nays: None

THE MOORE RISK MANAGEMENT MEETING WAS RECESSED AND THE MOORE ECONOMIC DEVELOPMENT AUTHORITY MEETING WAS CONVENED WITH CHAIRWOMAN MILUM PRESIDING AT 7:07 P.M.

Agenda Item Number 15 being:

ROLL CALL

PRESENT: Krows, McMillan, Haworth, Lewis, Cavnar, Roberts, Milum
ABSENT: None

Agenda Item Number 16 being:

CONSENT DOCKET:

- A) RECEIVE AND APPROVE THE MINUTES OF THE REGULAR MOORE ECONOMIC DEVELOPMENT AUTHORITY MEETING HELD APRIL 21, 2008.

Trustee Haworth moved to approve the consent docket in its entirety, second by Trustee Krows. Motion carried unanimously.

Ayes: Krows, McMillan, Haworth, Lewis, Cavnar, Roberts, Milum
Nays: None

Agenda Item Number 17 being:

CONSIDER AND IF DEEMED APPROPRIATE ACCEPT NOMINATIONS AND ELECT A CHAIR OF THE AUTHORITY.

Trustee McMillan moved to nominate David Roberts as Chair of the Moore Economic Development Authority, second by Trustee Krows. Motion carried unanimously.

Ayes: Krows, McMillan, Haworth, Lewis, Cavnar, Roberts, Milum
Nays: None

Agenda Item Number 18 being:

CONSIDER AND IF DEEMED APPROPRIATE ACCEPT NOMINATIONS AND ELECT A VICE-CHAIR OF THE AUTHORITY.

Trustee Haworth moved to nominate Janie Milum as Vice-Chair of the Moore Economic Development Authority, second by Trustee McMillan. Motion carried unanimously.

Ayes: Krows, McMillan, Haworth, Lewis, Cavnar, Roberts, Milum
Nays: None

Agenda Item Number 19 being:

CONSIDER AND IF DEEMED APPROPRIATE ACCEPT NOMINATIONS AND ELECT A SECRETARY OF THE AUTHORITY.

Trustee Roberts moved to nominate Kathy McMillan as Secretary of the Authority, second by Trustee Krows. Motion carried unanimously.

Ayes: Krows, McMillan, Haworth, Lewis, Cavnar, Roberts, Milum
Nays: None

Agenda Item Number 20 being:

DIRECTOR'S REPORT

Deidre Ebrey, Economic Development Director, advised of the following items:

- Ribbon Cutting and official announcement was held with the Hyatt Corporation for their new Hyatt Shared Service Center at 830 City Avenue.
- Assisted with wholesale and distribution centers looking for potential locations.
- Suggested holding another retreat to discuss what type of business Council would like recruited and at what locations.
- Farmers Market begins 4:00 p.m. on May 22, 2008 located between City Hall and the Old School. Over 19 local vendors would be selling fresh fruit and vegetables. There is a waiting list of vendors who want to participate. Through mid-August the market will be open every Thursday beginning at 4:00 p.m. and Saturday morning at 8:00 a.m.
- Summer Nights Music in the Park in collaboration with the Moore Public Library and the Pioneer Library System and the Moore Arts and Humanities Council. Every Friday night in June music will be held at the South Pavilion in Buck Thomas Park beginning at 7:00 p.m.
- Quality of Life Survey results were distributed to Council. Compilations of results from the 1,250 to 1,300 surveys received through the software program were made. A memo would be submitted reflecting the differences in answers to surveys taken in 1997, 2003, and 2008. Ms. Ebrey indicated that no independent line item actually saw a decrease in the scoring. The most improved item was the downtown district. In 2003 the downtown district received a 2.5 score, and received a 3.5 in the 2008 survey. Retail business reflected a score of 3.2 in 2003 and a 3.7 in 2008. Ninety percent of the citizens report they are pleased with the growth the City is experiencing. Top three assets ranked were schools, shopping retail and restaurants, and overall quality of life. Fifty percent of the respondents stated that roads were the area that needed the most improvement. Another question posed was do you see the need for publicly funded

transportation. Fifty-eight percent said no. Of those who answered yes they stated the top three reasons were shopping, health care, and commuting. Results of the survey would be made public when it is put into a more manageable format.

Councilman Krows stated that a business owner inquired whether the City would be accepting vendor applications for the July 4th celebration. Ms. Ebrey advised that Teresa with Parks and Recreation would be handling vendor applications. A vendor application may also be downloaded from the City's webpage at www.cityofmoore.com. She indicated that the celebration would also include a carnival. Steve Eddy, City Manager, asked Ms. Ebrey to inform every one of the rules for the park. Ms. Ebrey advised that dogs would not be permitted in the park during special events for safety reasons. No alcohol consumption would be allowed in the park. Some wine tasting vendors would be in attendance; however, they are all under the purview of the ABLE Commission. The Park would close on July 4th at 7:00 p.m. to vehicular traffic in anticipation of the parking lots being full. As off-site parking becomes available signs will be posted directing cars to those locations. A \$25 per day armband may be obtained for carnival rides or individual tickets may be purchased for each ride. Admission for The Art in the Park and Celebration in the Heartland is free.

Councilman Krows also asked whether food vendors would be at the Summer Nights in the Park event. Ms. Ebrey indicated that one sports team requested to sell a food product at the park. They were given permission; however, food vendors have not been solicited since spectators are encouraged to bring their own food and drink. The Moore Public Library is the presenting sponsor and would have to approve food vendor requests. Councilman Krows commented that had visited a similar event in Texas who sold popcorn and cotton candy and it seemed successful.

THE MOORE ECONOMIC DEVELOPMENT AUTHORITY MEETING WAS RECESSED AND THE CITY COUNCIL MEETING RECONVENED WITH MAYOR GLENN LEWIS PRESIDING AT 7:32 P.M.

Agenda Item Number 21 being:

NEW BUSINESS:

A) CITIZENS' FORUM FOR ITEMS NOT ON THE AGENDA.

There were no citizens to speak.

B) ITEMS FROM THE CITY COUNCIL/MPWA TRUSTEES.

Councilwoman McMillan suggested giving the ladies from the Students Working Against Tobacco (SWAT) organization a round of applause. Councilman Krows asked them to come forward and explain how kids can get involved in the organization. Darren Kirkpatrick, the coordinator for Cleveland County, stated that she worked with Moore, Norman, Noble, Lexington, and Little Axe to implement the youth lead group. It does not have to be a school sponsored club. The Cornerstone Boys Home also has an organization. The group involves kids from 11 to 17. The intent is to expose the tactics of the tobacco industry in their efforts to manipulate kids into using tobacco products. Kids also participate in programs called Tar Wars that involve speaking to 5th graders about not smoking. Councilman Krows asked how a school could obtain information about implementing a SWAT program. Ms. Kirkpatrick advised that interested parties may contact her at dkirkpatrick@nrh-ok.com. She would be interested in starting a program at any school, church group, or scout troops. She stated that there was a \$1,000 stipend, \$250 per quarter, was available for an adult sponsor. Councilman Cavnar thanked SWAT for the t-shirts and coffee cups.

Councilman Cavnar thanked Elizabeth Jones, Community Development Director, for her work on the Bike to Work event held May 16, 2008. Ms. Jones advised that 13 riders attended the event.

Mayor Lewis thanked the City Council for their help. He also expressed his appreciation to Kathy McMillan for serving as Vice-Mayor and Janie Milum as Chair of the Moore Economic Development Authority. He also voiced his appreciation to those council members willing to serve in other capacities.

C) ITEMS FROM THE CITY/TRUST MANAGER.

Steve Eddy, City Manager, distributed the monthly financial report for April 2008. Santa Fe paving project is going well and anticipate being finished by the middle of July, well before the start of the new school year in mid-August.

Agenda Item Number 22 being:

ADJOURNMENT

Councilwoman Haworth moved to adjourn the City Council meeting, second by Councilman Cavnar. Motion carried unanimously.

Ayes: Krows, McMillan, Haworth, Cavnar, Roberts, Milum, Lewis
Nays: None

The City Council, Moore Public Works Authority, and the Moore Risk Management meetings were adjourned at 7:29 p.m.

TRANSCRIBED BY:

RHONDA BAXTER, Executive Assistant

RECORDED BY:

CAROL FOLSOM, Purchasing Agent

FOR:

SHELIA HAWORTH, MPWA Secretary

FOR:

ROBERT KROWS, MEDA Secretary

These minutes passed and approved as noted this ____ day of _____, 2008.

ATTEST:

JIM CORBETT, JR., City Clerk