BOARD OF CITY COMMISSIONERS
REGULAR MEETING

October 10, 2022

6:00 P.M.

Council Chambers
113 North Elm St
Sallisaw, Oklahoma

A G E N D A

1. **Meeting Called to Order**

2. **Declaration of a Quorum**

3. **Presentation of Journeyman Certificate to Trey Wiley, Bailey Carter, and Brandon Shockey by Tom Doughtery with MESO**

4. **Removal of any Item from the Consent Agenda**

5. **Consent Agenda**

    (a) Consider Approval of Minutes of Regular Meeting of September 12, 2022 and Special Meeting of September 29, 2022

    (b) Acknowledge Invoice Paid Report for September 2022

    (c) Acknowledge Mayor's Appointment of Brady Bauer to the Sallisaw Planning Commission For a Three (3) Year Term, Ending October 2025

6. **Consider any Item Removed from the Consent Agenda**

7. **Receive Presentation from Erin Nix, BHS, MHA with Cherokee Elder Care, Tahlequah, Oklahoma Concerning Raising Awareness of Programs Offered in Our Area**

8. **Discuss and Consider Approval of Resolution 2022-27;** ***A Resolution to***

Notify the Secretary of the County Election Board of Sequoyah County, Oklahoma to Conduct Election

9. **Acknowledge Updated Audit Engagement Letters With Foresight Advisory and Consulting of Oklahoma City, OK**

10. **Discuss and Consider Approval of Lease Agreement Between Paul Gambill II and the City of Sallisaw For Lease of Airport Hangar**

11. **Discuss and Consider Approval of Ordinance 2022-10; An Ordinance Repealing Article I, Section 10-8 of Chapter 10 of The Code of Ordinances of The City of Sallisaw And Adding A New Article I, Section 10-8 To Chapter 10 of The City of Sallisaw Code of Ordinances And Declaring An Emergency**

12. **Discuss and Consider Approval of Ordinance 2022-11; An Ordinance Repealing Article IV, Section 102-223.1 of Chapter 102 of The Code of Ordinances of The City of Sallisaw And Adding a New Article IV, Section 102-223.1 to Chapter 102 of The City of Sallisaw Code of Ordinances And Declaring An Emergency**

13. **Receive Update on Current and Future Projects; Possible Direction to Staff**

14. **Receive Update on the Financial Status of the City and Activities of the Finance Department; Possible Direction to Staff**

15. **Receive Update on Economic Development and Grant Activities; Possible Direction to Staff**

16. **Administrative Reports**

17. **Adjourn**

Posted: **OCTOBER 06 , 2022**
Time: **11:00 A.M.**

KIM JAMISON

MINUTES

BOARD OF CITY COMMISSIONERS

REGULAR MEETING

SEPTEMBER 12, 2022

The Board of Commissioners met in a regular meeting on September 12, 2022, in the Council Chambers, 113 N. Elm Street, Sallisaw. Notice of the meeting was given by emailing to Sequoyah County Times; by posting at city hall on September 8, 2022, at 5:30 p.m.; by posting on the city's website; and, by giving notice to the City Clerk.

Members present:	Ernie Martens,	Mayor
	Ronnie Lowe,	Member,Ward 1
	Josh Bailey,	Member, Ward 2
	Julian Mendiola,	Member, Ward 3
	Kristin Peerson,	Member, Ward 4
Members absent:	None	
Staff present:	Keith Skelton,	City Manager
	John R. Montgomery,	City Attorney
	Kim Jamison,	City Clerk
	Robin Haggard,	Director of Finance
	Keith Miller,	Building Development Director
	Terry Franklin,	Chief of Police
	George Bormann,	Economic Development Director
	Christian Sizemore,	Network Manager
	Skylar Fullbright,	Grants Specialist
	Chris Carter,	Senior Code Inspector
	Randy Sizemore,	Purchasing Agent
	Ben Spyres,	Computer Technician
Others present:	Lynn Adams; Others Unidentified	

1. **Meeting Called to Order**

   Mayor Martens called the meeting to order at 6:00 p.m.

2. **Declaration of a Quorum**

A quorum was declared present.

3. Removal of any Item from the Consent Agenda

None.

4. Consent Agenda

a Consider Approval of Regular Minutes of August 8, 2022

b Acknowledge Invoice Paid Report for August 2022

c Acknowledge Mayor's Reappointment of Devin Guthrie to the Airport Advisory Board, for a Three (3) year term expiring September 2025

Motion was made by Lowe, seconded by Peerson, for approval of consent agenda. Vote: Lowe aye; Peerson aye; Bailey aye; Mendiola aye; Martens aye. Motion carried 5-0.

5. Consider any Item Removed from the Consent Agenda

None.

6. Discuss and Consider Approval of Resolution 2022-24; A Resolution Approving Execution of Deed (Property on Farm Road)

Motion was made by Peerson, seconded by Bailey, for approval of Resolution 2022-24; A Resolution Approving Execution of Deed. Vote: Peerson aye; Bailey aye; Lowe aye; Mendiola aye; Martens aye. Motion carried 5-0.

7. Discuss and Consider Approval of Agreement for Brushy Lake Camp Host, Between the City of Sallisaw and Lahoma Jones, For the Period of October 1, 2022 to June 30, 2023.

The City Manager advised the Board that things were going well at Brushy with Mrs. Jones acting as camp host. Motion was made by Bailey, seconded by Peerson, for approval of Agreement for Brushy Lake Camp Host, between the City of Sallisaw and Lahoma Jones expiring on June 30, 2023. Vote: Bailey aye; Peerson aye; Lowe aye; Mendiola aye; Martens aye. Motion carried 5-0.

8. Discuss and Consider Approval of Change Order No. 1, in the Amount of $6,065.33, RW & Son Pipeline Construction, Inc; Sanitary Sewer System Improvements Project; Port Arthur to Turner Ave/ Hollywood Addition

City Manager reviewed the Changer Order No. 1 with council. Motion was made by Mendiola, seconded by Peerson, for approval of Change Order No. 1 in the amount of $6,065.33, RW & Son Pipleline Construction, Inc. Vote: Mendiola aye; Peerson aye; Lowe aye; Bailey aye; Martens aye. Motion carried 5-0.

9. Discuss and Acknowledge Purchase Orders 90021, 90022, 90023, and 90024 Issued to Ampco Electric in the Amount of $59,001.86 for Emergency Repairs to Two Water Treatment Plant Electrical Generators.

Motion was made by Mendiola, seconded by Peerson, to acknowledge Purchase Orders 90021, 90022, 90023, and 90024 issued to Ampco Electric. Vote: Mendiola aye; Peerson aye; Lowe aye; Bailey aye; Martens aye. Motion carried 5-0.

10. Discuss and Consider Approval of Resolution 2022-25; A Resolution Providing for Updates to the City of Sallisaw Master Fee Schedule.

Motion was made by Lowe,seconded by Bailey, for approval of Resolution 2022-25; A Resolution Providing for Updates to the Master Fee Schedule. Changes effective October 1, 2022. Vote: Lowe aye; Bailey aye; Mendiola aye; Peerson aye; Martens aye. Motion carried 5-0.

11. Discuss and Consider Approval of Staff's Request to Declare One (1) 2005 Dodge Pickup S15, VIN 1D7HA16DX5J621401, As Surplus for the Purpose of Selling

Motion was made by Peerson, seconded by Lowe, to declare one (1) 2005 Dodge Pickup S15, VIN 1D7HA16DX5J621401, as surplus for the purpose of selling. Vote: Peerson aye; Lowe aye; Bailey aye; Mendiola aye; Martens aye. Motion carried 5-0.

12. Discuss and Consider Approval of Staff's Request to Declare One (1) 2009 Chevy Impala, VIN 2G1WS57M991235789, As Surplus for the Purpose of Selling, or Donation to Other Police Department.

Motion was made by Bailey, seconded by Peerson, for approval of staff's request to declare one (1) 2009 Chevy Impala, VIN 2G1WS57M991235789, as surplus for the purpose of selling or donation to another police department. Vote: Bailey aye; Peerson aye; Lowe aye; Mendiola aye; Martens aye. Motion carried 5-0.

13. Receive Update on Current and Future Projects; Possible Direction to Staff.

Keith Miller updated the Board on the City's projects. WWTP Bar Screen Replacement - Installation is complete. We are preparing for electrical service to feed the bar screen. It should be operational in approximately 3-4 weeks for testing. Sewer Project - RW and Sons completed the testing of the manholes. They have a couple of small leaks they are repairing. A new vacuum test will be done and then a mandrill pulled through the new system. Crosswalk Project - New traffic signal cameras and the controller box are installed and operational. We are waiting for delivery of the pedestrian crosswalk equipment. Main Street Light Project - The provider of the decorative lights has indicated that the lights are still on backorder. They should ship on 12/1. Police Department - The containers were insulated with spray foam. We are preparing for the construction of wire cages, wiring for a/c units, lights, and receptacles. We did a walk through with the architects. They should have the concept drawn and ready for review in a few weeks. Airport - A small lighting project is in the works. A light will be placed at the fueling station. This will enhance the use of the fueling station at night, since there is currently not a light in the area. A light for installation has been identified. Swimming Pool and Skate Park - We have visited with the project architects. They are working on the plans. Mayor Martens asked about the lights at Kerr and Ruth. The lights seem to be frozen, causing congestion.

14. Receive Update on the Financial Status of the City and Activities of the Finance Department; Possible Direction to Staff

Robin Haggard addressed council and advised that the auditor was progressing along. Finance staff have been busy gathering info to assist in the audit. Uptown Services has submitted all that is required to date for the Annual Federal Reporting. She appreciated Keith Miller and his staff for their assistance in helping with the mapping requirements. Also, in past meetings it was noted that Uptown services was assisting us and Momentum with the filing requirement for all the phone fees that we were continuing to have to pay until the Universal Service Fund Administration could make a determination of the actual amount due. Dave heard from Universal Service Fund and it appears that we will be able to obtain a refund. The Sales tax remains positive. There has been an increase in the Use Tax. Keith Skelton noted that the contract with USIC would be voided. Our current maps do not work for them.

15. Administrative Reports

City Manager noted that the Police Department had received Gold Status from Lexipol for their policy management. There will be a retirement party at the Police Department for Lieutenant Houston Murray on September 14th, 11:00 am - 1:00 pm. Several staff members will be out of the office attending the OML conference. The need to have a special meeting was discussed and was set for September 21st at 11:30 a.m. in the 3rd floor conference room at City Hall.

16. Adjourn

Motion was made by Lowe, seconded by Bailey to adjourn the meeting there being no further business. Vote: Lowe aye; Bailey aye; Mendiola aye; Peerson aye; Martens aye. Motion carried 5-0. The meeting ended at 6:33 p.m.

Approved this **10th** day of **October, 2022**.

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Ernie Martens, Mayor

ATTEST:

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Kim Jamison, City Clerk

(SEAL)

MINUTES

BOARD OF CITY COMMISSIONERS

SPECIAL MEETING

SEPTEMBER 29, 2022

The Board of Commissioners met in a special meeting on September 29, 2022, in the City Hall - 3rd Floor Conference Room, 115 E Choctaw Ave, Sallisaw. Notice of the meeting was given by emailing to Sequoyah County Times; by posting at city hall on September 26, 2022 at 4:30 p.m.; by posting on the city's website; and, by giving notice to the City Clerk.

Members present:	Ronnie Lowe,	Member,Ward 1
	Josh Bailey,	Member, Ward 2
	Julian Mendiola,	Member, Ward 3
	Kristin Peerson,	Member, Ward 4
Members absent:	Ernie Martens,	Mayor
Staff present:	Keith Skelton,	City Manager
	John R. Montgomery,	City Attorney
	Kim Jamison,	City Clerk
	George Bormann,	Economic Development Director
	Skylar Fullbright,	Grants Specialist
Others present:	Lynn Adams.	

1. **Meeting Called to Order**

   Member Mendiola called the meeting to order at 11:30 a.m.

2. **Declaration of a Quorum**

   A quorum was declared present.

3. **Discuss and Consider Approval of Resolution 2022-26; A Resolution Declaring Eligibility to Submit Application for a Crosswalk Project with the Oklahoma Department of Transportation at Cherokee and Elm.**

   George Bormann reviewed item with council. He noted that the City's match would be 22% or $67,758.35. The total project cost is $307,992.50. Motion was made by

Peerson, seconded by Bailey, for approval of Resolution 2022-26; A Resolution Declaring Eligibility to Submit Applicaiton for a Crosswalk Project with the Oklahoma Department of Transportation. Vote: Peerson aye; Bailey aye. Lowe aye, Mendiola aye. Motion carried 4-0.

4. **Adjourn**

Motion was made by Lowe, seconded by Bailey, to adjourn the meeting there being no further business. Vote: Lowe aye; Bailey aye; Peerson aye; Mendiola aye. Motion carried 4-0. The meeting ended at 11:34 a.m.

Approved this **10th** day of **October, 2022.**

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Ernie Martens, Mayor

ATTEST:

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Kim Jamison, City Clerk

(SEAL)

AGENDA ITEM COMMENTARY

Meeting Date:	October 10, 2022
Board:	Board of City Commissioners
Subject:	Cherokee Elder Care

ITEM TITLE: Receive Presentation from Erin Nix, BHS, MHA with Cherokee Elder Care, Tahlequah, Oklahoma Concerning Raising Awareness of Programs Offered in Our Area

INITIATOR: Erin Nix, BHS, MHA

STAFF INFORMATION SOURCE: Erin NIx of Cherokee Elder Care

BACKGROUND: Ms. Nix has requested time to address council to help raise awareness of the Elder Care programs offered by Cherokee Elder Care in our area. Cherokee Elder Care is a division of the Cherokee Nation.

EXHIBITS:

KEY ISSUES: None.

FUNDING SOURCE: N/A

RECOMMENDATION: None.

AGENDA ITEM COMMENTARY

Meeting Date:	October 10, 2022
Board:	Board of City Commissioners
Subject:	Election

ITEM TITLE: Discuss and Consider Approval of Resolution 2022-27; *A Resolution to Notify the Secretary of the County Election Board of Sequoyah County, Oklahoma to Conduct Election*

INITIATOR: City Clerk

STAFF INFORMATION SOURCE: City Clerk
City Attorney

BACKGROUND: Offices to be filled are Mayor and Chief of Police, each for three (3) year terms. Filing period begins at 8:00 a.m., Monday, December 5, 2022, and ends at 5:00 p.m., Wednesday, December 7, 2022. The date of the municipal election is the second Tuesday in February; February 14, 2023.

EXHIBITS: 1. City.Resolution.22.27.Election

KEY ISSUES: N/A

FUNDING SOURCE: N/A

RECOMMENDATION: Approval of Resolution 2022-27.

RESOLUTION 2022-27

A RESOLUTION TO NOTIFY THE SECRETARY OF THE COUNTY ELECTION BOARD OF SEQUOYAH COUNTY, OKLAHOMA, TO CONDUCT ELECTION

WHEREAS, the Charter of the City of Sallisaw, Oklahoma, provides that the laws of the State of Oklahoma and the Constitution of the State of Oklahoma shall govern elections of the City of Sallisaw insofar as they are applicable and not superseded by the Charter, and

WHEREAS, City elections are to be conducted by the County Election Board in accordance with the Statutes of the State of Oklahoma, and

WHEREAS, the Statutes of the State of Oklahoma require that the City submit a resolution to the Secretary of the County Election Board containing facts of such.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF SALLISAW, OKLAHOMA,

1. The date of the municipal primary election for the year 2023 shall be on the second Tuesday in February, February 14th, 2023.

2. The offices to be filled at such election shall be Mayor for a term of three (3) years, and Chief of Police for a term of three (3) years, both as provided in the Charter of the City of Sallisaw.

3. No person shall be eligible to an elective office of the City of Sallisaw unless he or she is a registered voter of the City and has been a resident of the City for at least one (1) year immediately prior to his or her election, and those who are elected from wards must be an actual resident of such ward for at least one (1) year immediately prior to the time of filing for office from said ward and also the time of his or her election from said ward. Each such person so elected must and shall not be in litigation with the City when elected.

4. The offices of Mayor and Chief of Police shall each be filled by voting by ward, in each and every ward.

5. The election shall be nonpartisan, and no party designation or emblem shall be placed on any ballot used in a City election.

6. Any qualified person may have his or her name placed on the ballot as a candidate for Commissioner or other elective office by filing with the Secretary of the

Sequoyah County Election Board a sworn statement of his or her candidacy. The filing period shall begin at 8:00 a.m. the first Monday in December, December 5, 2022, and shall end at 5:00 p.m. on the following Wednesday, December 7, 2022.

7. Absentee ballots shall be provided for all elections in accordance with applicable Statutes of the State of Oklahoma.

8. In the event that no candidate for office receives a majority of the votes cast, there shall be a runoff general election for the two (2) candidates receiving the greatest number of votes for such office or offices to be held on the first Tuesday in April, April 4, 2023.

9. The Charter of the City of Sallisaw provides that provisions of the State Constitution and laws applicable to City elections shall govern such elections of this City insofar as they are applicable and not superseded by the Charter or by Ordinance. A copy of the Charter shall be furnished to the Secretary of the County Election Board.

10. The City of Sallisaw shall pay the expenses of said election, as provided by the Statutes of the State of Oklahoma.

11. At least four maps clearly defining municipal limits and ward boundaries shall be provided to the County Election Board.

PASSED AND APPROVED THIS 10th day of October, 2022.

CITY OF SALLISAW, OKLAHOMA

By: ______________________________

ERNIE MARTENS, Mayor

ATTEST:

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KIM JAMISON, City Clerk

[S E A L]

AGENDA ITEM COMMENTARY

Meeting Date:	October 10, 2022
Board:	Board of City Commissioners
Subject:	FY 2022 Audit

ITEM TITLE: Acknowledge Updated Audit Engagement Letters With Foresight Advisory and Consulting of Oklahoma City, OK

INITIATOR: Director of Finance
FSW&B Certified Public Accountants

STAFF INFORMATION SOURCE: FSW&B Certified Public Accountants
Foresight Advisory and Consultants

BACKGROUND: Due to changes in audit standards over the last few years, small firms who perform municipal audits have been stressed with decisions to continue, or discontinue auditing municipal customers. Our current auditor, FSW&B, has faced the same challenges. Recently, FSW&B finalized a joint venture with Foresight Advisory and Consulting, allowing both firms to work collaboratively with each other on municipal audits. The field audit work for Sallisaw will not change, but with the collaborative effort of both firms, our audit report will be issued by Foresight Advisory and Consulting. In addition, the partnership of these firms will allow FSW&B to meet their independent review requirements, which caused a delay in the report last year.

EXHIBITS:
1. Introduction Letter
2. Sallisaw Audit.Foresight Management
3. Sallisaw Audit.Foresight Engagement

KEY ISSUES: None

FUNDING SOURCE: General Fund

RECOMMENDATION: Acknowlegement of the updated engagement letters as presented.

September 27, 2022

To: Keith Skelton, City Manager

As you are likely already well aware, the governmental audit world has continued to change very rapidly over the last few years and unfortunately, I anticipate these changes to accelerate rather than dissipate in the near future. This has caused not only a significant pressure on fees to rise but also creates some logistical problems for smaller firms trying to comply with the increased level of expectations and requirements under new audit standards. Not the least of these is interpretations on independence requirements particularly regarding the threat of self-review. Even worse these expectations are imposed differently for different sized firms and that creates both risks and barriers to firms our size which are much smaller than many of the large firms but larger than most sole practitioners.

Because of the continued brisk pace of changes in audit standards, many small and medium sized firms have simply discontinued doing governmental audits. This has created a situation where there are many more audits that need to be completed than there are competent audit firms to complete them. This combined with staffing shortages and pressures on wages for accounting staff have not only challenged the remaining firms to be able to keep up with their workload but has also accelerated the decision of many firms to exit the industry.

We are proud that we have been able to maintain our position as one of the leading governmental audit firms for many decades and did not want to have to either give up more audit clients or to consider exiting the segment as a strategy. To avoid either of those alternatives, we have been working diligently over the last couple of years to find a way that we could both meet higher expectations for audit standards and continue to stay in that arena long term. Last year as you may have been aware, we utilized an outside firm that was quite a bit larger than ours to assist us in doing some independent pre-issuance audit reviews. While this strategy did in fact result both in mitigating the risk of self-review and independence impairments as well as expanding our audit staff expertise and development, it slowed down the issuance of our audits considerably and increased our costs by a significant amount which really could not be effectively passed on to our clients. We did not feel like either of these were things that were sustainable over the longer term.

Fortunately, after working through a lot of different alternatives, we have found a solution that we believe is very beneficial to our governmental audit clients. We have recently finalized a joint venture with Foresight Advisory and Consulting to work collaboratively with us to be able to maintain and grow both of our audit practices over time and to be able to continue to serve our governmental audit clients over the long term and even enhance the quality and timeliness of those audit services. The principal of Foresight Advisory and Consulting is Mr. Andrew Harrelson, CPA. Andrew has more than ten years of experience in public accounting with an emphasis over those years in governmental auditing and accounting. You may remember him from several years ago when he was a valued member of our audit staff prior to going to work for the City of Stillwater and then ultimately forming his own firm.

Essentially, we will be doing all of our audits as group effort between our two firms but as the client you will see almost no difference in how those audits are performed our interactions between the firm and your personnel. Nancy Kirk, who has been our audit manager for the last four years will continue to serve in that type of role and will be your primary contact throughout the audit. Most of the staff that have participated in your audit will also be the same. Having Andrew Harrelson as the lead partner for these engagements allows not only to be able to meet the independent review expectations without involving an outside firm, it allows us to have an additional skilled and experienced partner that can focus on these types of engagements while at the same time continuing to be able to utilize my background and experience both in this segment as needed.

The difference with the performance and issuance of these audits is that for some of our clients including our governmental audit clients, the firm actually issuing the report will be Foresight Advisory and Consulting rather than FSW&B CPAs-PLLC. Since FSW&B as a firm and some of their staff are still going to be involved in these audits, we believe that we could still perform the engagement with the existing engagement letter that we recently sent to you. However, just to resolve any questions and ensure that our audit documentation meets all expectations, we have decided to reissue the engagement letter on Foresight letterhead. Since the terms of that engagement have not changed except for the involvement of that firm in the group audit effort and who the issuer of the report will be, we do not believe that this has to be presented as a new agenda item for approval from City Council. However, should you want to get affirmation from the Council we wanted to get this information and the new engagement letter out as quickly as possible.

We are very excited about moving forward with this approach and believe that you will continue to experience the audit process very similarly to what you have come to expect from our firm. Most importantly, we believe this collaboration of firms puts us in a position to continue to provide audit services for all our client segments long term, allows us to adapt more quickly and effectively to changes in standards and most importantly puts us in a much better position to continue to staff these audits with accounting and audit personnel that are committed to providing high quality services and continuing their own personal development.

If you have any questions, please feel free to reach out to either myself, Nancy Kirk or Andrew Harrelson. Andrew's contact information is included with the engagement letter for Foresight which is attached. Once you have had a chance to review and sign the new engagement letter, please send that back to Nancy at your earliest convenience. Thank you for your years of patronizing our firm and we look forward to many more under this new arrangement.

Sincerely,

FSW+B CPAs-PLLC

Derrel S. White, CPA

FORESIGHT
Advisory & Consulting

September 27, 2022

To City Council and Management of the City of Sallisaw, OK

City of Sallisaw
P.O. Box 525
Sallisaw, OK 74955-0525

We are pleased to confirm our understanding of the services we are to provide City of Sallisaw, OK for the year ended June 30, 2022. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of City of Sallisaw, OK as of and for the year ended June 30, 2022. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement City of Sallisaw, OK's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to City of Sallisaw, OK's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis.
2) Combined or Combining Fund Financial Statements
3) Budget to Actual Schedules
4) Statements of Pension Funding Progress

We have also been engaged to report on supplementary information other than RSI that accompanies City of Sallisaw, OK's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole:

1) Schedule of expenditures of federal awards.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

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- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to City Council of City of Sallisaw, OK. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, an unavoidable risk exists that some material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards.*

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of City of Sallisaw, OK's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards.*

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of City of Sallisaw, OK's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on City of Sallisaw, OK's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We do not anticipate providing any non-attest services as part of our engagement. In the event that we do provide some non-attest services, those non audit services do not constitute an audit under Government Auditing Standards and such services will not be conducted in accordance with Government Auditing Standards. We will perform the services in accordance with applicable professional standards. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, including identification of all related parties and all related-party relationships and transactions, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review on December 1, 2021.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon OR make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon]. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We may from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

We will provide twenty-five copies of our reports to City of Sallisaw, OK; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Foresight Advisory & Consulting, PLLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to Oklahoma State Auditor or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Foresight Advisory & Consulting, PLLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Oklahoma State Auditor. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately September 1, 2022 and to issue our reports no later than December 31, 2022. Andrew Harrelson, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) We expect our estimated fees to increase 12% over 2021 fees. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to City of Sallisaw, OK and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Foresight Advisory & Consulting, PLLC

Foresight Advisory & Consulting, PLLC

RESPONSE:

This letter correctly sets forth the understanding of City of Sallisaw, OK.

Management signature: [signature]

Title: City Manager

Date: 10/2/2022

Governance signature: [signature]

Title: MAYOR

Date: 10/2/2022

FORESIGHT
Advisory & Consulting

September 27, 2022

City of Sallisaw, Oklahoma
PO Box 525
Sallisaw, OK 74955

We are pleased to confirm our understanding of the terms of our engagement and the nature and limitations of the services we are to provide for City of Sallisaw, Oklahoma (the "City").

We will apply the agreed-upon procedures listed in the attached schedule that were specified and agreed to by State Department of Environmental Quality (DEQ) (specified party or specified parties) to provide financial assurance for the City as of June 30, 2022 prepared in accordance with OAC 252;515-27-82 (a) through (k). This engagement is solely to assist the City in complying with the requirements of financial assurance for closure and post closure costs of a landfill. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures performed or to be performed is solely the responsibility of those parties specified in the report and we will require an acknowledgment in writing of that responsibility. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which the agreed-upon procedures report has been requested or for any other purpose.

Because the agreed-upon procedures listed in the attached schedule do not constitute an examination or review, we will not express an opinion or conclusion on the financial assurance. In addition, we have no obligation to perform any procedures beyond those listed in the attached schedule.

We will issue a written report upon completion of our engagement that lists the procedures performed and our findings. Our report will be addressed to the City and DEQ. If, for any reason, we are unable to complete any of the procedures, we will describe in our report any restrictions on the performance of the procedures, or not issue a report and withdraw from this engagement. You understand that the report is intended solely for the information and use of the City and DEQ, and should not be used by anyone other than these specified parties. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, we will communicate to you any known and suspected fraud and noncompliance with laws or regulations affecting the presentation of financial assurance that come to our attention. In addition, if, in connection with this engagement, matters come to our attention that contradict the presentation of financial assurance, we will disclose those matters in our report.

You are responsible for the presentation of the financial assurance and that it is in accordance with OAC 252:515-27-82 (a) through (k); and for selecting the criteria and procedures and determining that such criteria and procedures are appropriate for your purposes. You are also responsible for, and agree to provide us with, a written assertion about the presentation of financial assurance. In addition, you are responsible for providing us with (1) access to all information of which you are aware that is relevant to the performance of the agreed-upon procedures on the subject matter, (2) additional information that we may request for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence relating to performing those procedures.

We plan to begin our procedures once required documentation is obtained, unless unforeseeable problems are encountered, the engagement should be completed by December 31, 2022. At the conclusion of our engagement, we will require certain written representations in the form of a representation letter from management that, among other things, will confirm management's responsibility for the presentation of financial assurance in accordance with OAC 252:515-27-82 (a) through (k).

Andrew Harrelson, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

We estimate that our fees for these services will be $1,000.00. You will also be billed for travel and other out-of-pocket costs such as report production, word processing, postage, etc. Additional expenses are estimated to be $0. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-or-pocket expenditures through the date of termination.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, or the procedures need to be modified, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their agreement with the procedures performed or to be performed and their responsibility for the sufficiency of procedures.

Very truly yours,

Foresight Advisory & Consulting, PLLC

Foresight Advisory & Consulting, PLLC

RESPONSE:

This letter correctly sets forth the understanding of City of Sallisaw, Oklahoma

By: [signature]

Title: City Manager

Date: 10/2/2022

By: Robin Haggard

Title: Dir. of Finance

Date: 10/2/2022

AGENDA ITEM COMMENTARY

Meeting Date:	October 10, 2022
Board:	Board of City Commissioners
Subject:	Airport Hangar Lease

ITEM TITLE: Discuss and Consider Approval of Lease Agreement Between Paul Gambill II and the City of Sallisaw For Lease of Airport Hangar

INITIATOR: City Manager

STAFF INFORMATION SOURCE: City Manager
Airport FBO

BACKGROUND: We currently have a hangar unoccupied at the Sallisaw Municipal Airport. Mr. Gamble is a frequent user of the airport and wishes to lease the hangar. This lease will run from the approval date to June 30, 2023, at which time it will be renewed. The lease is for $150.00 per month. The Lessee will be responsible for any utilities connected to the hangar.

EXHIBITS: 1. Paul Gambill Hangar Lease

KEY ISSUES: None

FUNDING SOURCE: NA

RECOMMENDATION: Staff recommends approval of the lease agreement with Mr. Gambill.

AIRPORT HANGAR LEASE AGREEMENT

This lease made and entered into this 10th day of October, 2022 (**lease date**), by and between City of Sallisaw, a Municipal Corporation, **LESSOR**, and Paul Greg Gambill, II, 1445 N. Main Street, Mulberry, AR, **LESSEE**;

1. Witnesseth, that said **LESSOR,** in consideration of the covenants and agreements hereinafter set forth, hereby lease and let unto **LESSEE** a metal building, identified as Airport Hangar #1706, located at the Sallisaw Municipal Airport, Sallisaw, Oklahoma.

2. The Term of this Lease shall be from the lease date noted above to June 30, 2023, unless terminated sooner. It is further agreed by and between the parties hereto that this Lease, or any portion of, can be canceled by either party by sixty (60) days written notice.

3. **LESSEE**, in consideration of the premises herein set forth, agrees to pay to **LESSOR,** as rental for the above described premise, the sum of *One Hundred Fifty Dollars ($150.00)* per month, payable in advance on the 1st day of each month, with the first month being prorated from the beginning term of this Lease. The lease payment may be made monthly or yearly. The lease amount of this hangar may be changed by the **LESSOR** upon a written 30-day notice.

4. **LESSEE** agrees the building leased shall be used for airport related activities only, namely the storage of an aircraft, and shall be kept in a neat and orderly manner.

5. **LESSEE** agrees that if **LESSEE** ceases to store an aircraft in the leased hangar for a period exceeding six (6) months**, LESSOR** may cancel this lease immediately upon written notice to the **LESSEE**.

6. **LESSEE** agrees that all activities performed in this premise shall conform to Chapter 14, Aviation, of the Sallisaw Code of Ordinances.

7. **LESSEE** agrees to obtain any necessary permits, as required in Chapter 14 of the Sallisaw Code of Ordinances, required to operate any aviation related business from this location.

8. It is further agreed, by and between the parties thereto that all utilities provided to the hangar shall be the responsibility of the **LESSEE**.

9. It is further agreed, if any improvements to the premise is needed or required, those improvements and repairs on said premises will be the sole responsibility of **LESSOR**. At any time, **LESSEE** may submit request for improvements to the **LESSOR** and **LESSOR** shall consider those improvements, and perform if **LESSOR** sees a benefit of the requested improvements. Any damage caused by the **LESSEE**, shall be repaired and paid for by the **LESSEE**, or billed to the **LESSEE** if repaired by the **LESSOR**. Damages repaired by the **LESSEE** shall meet the standards of the **LESSOR**, and be approved by the **LESSOR**.

10. **LESSEE** further agrees:

    a. The hangar door shall not be left open or unattended.

    b. No signs shall be attached to the hangar.

    c. No fueling of aircraft shall be performed within the hangar.

    d. No hazardous or toxic materials shall be stored in the hangar.

    e. Ramps or taxiway shall not be used as a parking space for vehicles other than their own, or their aircraft. Only approved parking spaces shall be used.

    f. No open flame heaters shall be stored or operated within the hangar.

11. It is further agreed that at the end of this lease, or sooner termination thereof, **LESSEE** shall give peaceable possession of the premises to **LESSOR** in as good condition as they are now, the usual wear and tear and damage by the elements alone excepted. This Lease shall not be considered renewed except by written agreement of the parties.

The covenants and agreements of this Lease shall extend to and be binding upon the successors, heirs and executors of the parties hereto.

Witness our hands and seals the date first above written.

LESSOR: **City of Sallisaw, A Municipal Corporation**	**LESSEE:**
___________________________________ Ernie Martens, Mayor Attest: ______________________________ Kim Jamison, City Clerk [Seal]	___________________________________ Owner ___________________________________ Name printed

Approved as to Form:

____
John Robert Montgomery, City Attorney

AGENDA ITEM COMMENTARY

Meeting Date:	October 10, 2022
Board:	Board of City Commissioners
Subject:	Ordinance 2022-10, Keeping of Swine

ITEM TITLE: Discuss and Consider Approval of Ordinance 2022-10; An Ordinance Repealing Article I, Section 10-8 of Chapter 10 of The Code of Ordinances of The City of Sallisaw And Adding A New Article I, Section 10-8 To Chapter 10 of The City of Sallisaw Code of Ordinances And Declaring An Emergency

INITIATOR: Mayor

STAFF INFORMATION SOURCE: Building Development Director
City Attorney
City Manager

BACKGROUND: The changes represented in this ordinance will allow Sallisaw Public Schools (High School) to keep swine in properly constructed pens. This will allow students in FAA, who have no other places to keep swine, to house their show pigs on school property.

EXHIBITS: 1. Ord 2022.10 Modify Section10.8

KEY ISSUES: Swine must be kept in properly constructed pens on school property.

FUNDING SOURCE: NA

RECOMMENDATION: Staff recommends approval of Ordinance 2022-10, with the emergency clause.

ORDINANCE 2022-10

AN ORDINANCE REPEALING ARTICLE I, SECTION 10-8 OF CHAPTER 10 OF THE CODE OF ORDINANCES OF THE CITY OF SALLISAW AND ADDING A NEW ARTICLE I, SECTION 10-8 TO CHAPTER 10 OF THE CITY OF SALLISAW CODE OF ORDINANCES AND DECLARING AN EMERGENCY

BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE CITY OF SALLISAW, OKLAHOMA.

SECTION 1.

That Article I, Section 10-8 of Chapter 10 of the Sallisaw Code of Ordinances be repealed and replaced with a new Article I, Section 10-8 of Chapter 10, to-wit:

Article I, Section 10-8 of Chapter 10. Certain Animals and Animal Fighting Prohibited.

a) Staged animal fighting within the city limits of Sallisaw is strictly prohibited.

b) Within the city limits of Sallisaw, no person shall keep, nor shall any permit be issued for any gamecocks or fighting cocks.

c) Keeping of Swine.

   i. Swine shall not be kept within the city limits of Sallisaw, except for miniature pigs. For the purpose of this section miniature pigs shall mean "pot-bellied pig", "Shar-pei pigs", Vietnamese, Chinese, or Asian, or other similar swine not exceeding 125 pounds at maturity and a maximum height of 22 inches. Swine defined in this section must be permitted through the city.

   ii. Swine may be kept for exhibition purposes during a temporary duration at stock shows, fairs and circuses, not to exceed seven days in duration. Swine must be kept in properly constructed pens during the duration of the event.

   iii. Swine may be kept for educational programs at Sallisaw High School where they are housed in properly constructed enclosed facilities upon school property of which a proper building permit has been obtained and facilities inspected.

SECTION 2.

If, regardless of cause, any section, subsection, paragraph, sentence, phrase, portion, or clause of this ordinance is held invalid or determined to be unconstitutional, the remaining sections, subsections, paragraphs, sentences, phrases, portions or clauses shall continue in full force and effect and shall be construed thereafter as being the entire provisions of this ordinance.

WHEREAS, an emergency and immediate necessity exists by reason of the health, safety and protection of the citizens of Sallisaw; therefore, an emergency is hereby declared to exist by reason whereof this Ordinance shall be in full force and effect from and after its passage and approval.

APPROVED this 10th day of October, 2022.

CITY OF SALLISAW, OKLAHOMA

By: ________________________________

ERNIE MARTENS, Mayor

ATTEST:

____

KIM JAMISON, City Clerk

[SEAL]

AGENDA ITEM COMMENTARY

Meeting Date:	October 10, 2022
Board:	Board of City Commissioners
Subject:	A1 Zoning Special Use Permit

ITEM TITLE: Discuss and Consider Approval of Ordinance 2022-11; An Ordinance Repealing Article IV, Section 102-223.1 of Chapter 102 of The Code of Ordinances of The City of Sallisaw And Adding a New Article IV, Section 102-223.1 to Chapter 102 of The City of Sallisaw Code of Ordinances And Declaring An Emergency

INITIATOR: Mayor

STAFF INFORMATION SOURCE: Building Development Director
City Attorney
City Manager

BACKGROUND: This ordinance will allow Sallisaw students who participate in Future Farmers of America (FFA) to apply for a special use permit to keep up to two swine for FFA show purposes. This special use permit will only apply to A1 zoning and expires once the student graduates or ceases participation in FFA.

EXHIBITS: 1. Ord 2022.11 Modify Section102.223.1

KEY ISSUES: NA

FUNDING SOURCE: NA

RECOMMENDATION: Staff recommends approval of Ordinance 2022-11, with the emergency clause.

ORDINANCE 2022-11

AN ORDINANCE REPEALING ARTICLE IV, SECTION 102-223.1 OF CHAPTER 102 OF THE CODE OF ORDINANCES OF THE CITY OF SALLISAW AND ADDING A NEW ARTICLE IV, SECTION 102-233.1 TO CHAPTER 102 OF THE CITY OF SALLISAW CODE OF ORDINANCES AND DECLARING AN EMERGENCY

BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE CITY OF SALLISAW, OKLAHOMA.

SECTION 1.

That Article IV, Section 102-223.1of Chapter 102 of the Sallisaw Code of Ordinances be repealed and replaced with a new Article IV, Section 102-233.1 of Chapter 102, to-wit:

Article IV, Section 102-223.1 of Chapter 102. Uses by Special Permit For A1 Zoning

a) A special use permit may be granted to a hobby breeder applicant by the Planning Commission, by majority vote, 60 percent rule, and, if granted, shall be valid for use only by the owner of record. All applications shall be considered on a case by case application basis, and each application shall require public notice and hearing for determination in accordance with Chapter 102, article II, Division 5, of the Sallisaw Code of Ordinances.

b) A special use permit for the keeping of swine may be granted to a student of Sallisaw Public Schools that is currently enrolled in Future Farmers of America (FFA) and participates in the showing of swine. Applicant for the permit must demonstrate that swine shall be kept in a properly enclosed facility. Application must be co-signed by a parent, or legal guardian. The number of swine kept shall be limited to two (2). The special use permit may be granted by the Planning Commission, by majority vote, 60 percent rule, and, if granted shall be valid for use only by the applicant of record. All applications shall be considered on a case by case application basis, and each application shall require public notice and hearing for determination in accordance with Chapter 102, article II, Division 5, of the Sallisaw Code of Ordinances. Permit shall expire once the student graduates or ceases participation in FFA.

SECTION 2.

If, regardless of cause, any section, subsection, paragraph, sentence, phrase, portion, or clause of this ordinance is held invalid or determined to be unconstitutional, the remaining sections, subsections, paragraphs, sentences, phrases, portions or clauses shall continue in full force and effect and shall be construed thereafter as being the entire provisions of this ordinance.

WHEREAS, an emergency and immediate necessity exists by reason of the health, safety and protection of the citizens of Sallisaw; therefore, an emergency is hereby declared to exist by reason whereof this Ordinance shall be in full force and effect from and after its passage and approval.

APPROVED this 10th day of October, 2022.

CITY OF SALLISAW, OKLAHOMA

By: ________________________________

ERNIE MARTENS, Mayor

ATTEST:

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KIM JAMISON, City Clerk

[SEAL]

ADMINISTRATIVE REPORTS

Meeting Date:	October 10, 2022
Board:	Board of City Commissioners
Subject:	

Upcoming Events
October 3-7, Public Power Week
October 8, Sallisaw Main Street Chili Cookoff and events
October 29, Halloween at Brushy Lake
October 31, Halloween on Elm St
November 14, Board of City Commissioners Meeting.
November 24-25, Thanksgiving Holiday

City Manager Reports

- Several members of staff recently attended the Oklahoma Municipal League's annual conference in Tulsa. It was a good conference with several interesting breakout sessions.
- Our new website is up and running well. We still have some tweaks we want to do with the pages. CivicPlus is also working on a phone app for us as well.
- Robin Haggard and myself recently attended a GRDA Customer Group meeting in Collinsville. Only municipal customers of GRDA attended. The purpose of the meeting was to gather thoughts on any discussion topics needed for future meetings with GRDA.
- With the persistent drought we are in, we are keeping a close eye on Brushy Lake. I will provide more information at the meeting.
- Brushy Lake continues to be busy and our camp host continues to do a wonderful job.
- Members of staff recently met with representatives of GRDA on a future economic development and grant assistance program that GRDA is launching. These services will assist GRDA communities with tasks and contacts related to economic development.

Finance Reports / City Projects

- City staff continue to research funding mechanisms for future projects in the community. We have several projects on the planning table, some already in engineering and design, that we are seeking funding/grants for to assist with offsetting expenses in our budget. The projects include:
    - Landfill expansion, including cell 8A
    - North Maple/Badger water loop
    - Drake Road/Lennington Road water loop
    - AMI project for electric and water meters.

In past meetings we have discussed city staff using Monday.com to track city projects. This has become a very instrumental tool we use daily to track our projects. Since June 1, 2016, the city has completed 34 different capital projects in the community, investing over $14.8 million dollars. These projects have included both infrastructure and quality of life projects in the community. The cost of these completed projects range from $5,000 up to $5.1 million. We currently have 12 projects, valued at $10.3 million that are considered active, either in design, or in construction.