SALLISAW MUNICIPAL AUTHORITY
SPECIAL MEETING

June 9, 2022

Time: Immediately Following the
Meeting of the Board of Commissioners

Council Chambers
113 North Elm
Sallisaw, Oklahoma

A G E N D A

1. **Meeting called to order**

2. **Declaration of a quorum**

3. **Discuss and Consider Approval of Minutes of Regular Meeting of May 9, 2022 and Special Meeting of May 18, 2022**

4. **Discuss and Consider Approval of Staff's Request to Reinvest the Meter Fund Certificate of Deposit with National Bank of Sallisaw for 273 Days at 0.35% Interest**

5. **Discuss and Consider Approval of Staff's Request to Reinvest the Sallisaw Municipal Authority Certificate of Deposit with National Bank of Sallisaw for 273 Days at 0.35% interest**

6. **Consider Approval of Water Contract with C.D. Water Systems, for the Purchase of Treated Water**

7. **Discuss and Consider Approval of Engineering Contract Between the Sallisaw Municipal Authority and Neel, Harvell and Associates, P.C., Consulting Engineers, for Rehabilitation of Existing Aeration Basin, in the Amount of $27,500.00.**

8. **Update and Discussion on the Grand River Dam Authority Power Cost Adjustment for the Month of July 2022; Possible Direction of Staff.**

9. **Discuss and Consider Approval of Manager Contract for the Period July 1, 2022 to June 30, 2023**

10. **Administrative Reports**

11. **Adjourn**

Posted:	**JUNE 7, 2022**
Time:	**11:30 A.M.**
	KIM JAMISON

MINUTES

SALLISAW MUNICIPAL AUTHORITY

REGULAR MEETING

MAY 9, 2022

The Sallisaw Municipal Authority met in a regular meeting on May 9, 2022, in the Council Chambers, 113 North Elm, Sallisaw. Notice of the meeting was given by e-mailing to Sequoyah County Times; by posting at city hall; by posting on the city's website; and, by giving notice to the City Clerk.

Members present:	Ernie Martens,	Chairman
	Ronnie Lowe,	Trustee, Ward 1
	Josh Bailey,	Trustee, Ward 2
	Julian Mendiola,	Trustee, Ward 3
	Kristin Peerson,	Trustee, Ward 4
Members absent:	None	
Staff present:	Keith Skelton,	General Manager
	Kim Jamison,	Secretary
	John Montgomery,	City Attorney
	Robin Haggard,	Director of Finance
	Keith Miller,	Director of Finance
	George Bormann,	Economic Development Director
	Jessica Robertson,	Business Support Manager
	Skylar Fullbright,	Grants Specialist
	Terry Franklin,	Police Chief
	Mark Rutherford,	Lieutenant
	Lisa Gabbert,	Deputy Secretary
	Randy Sizemore,	Purchasing Agent
	Christian Sizemore,	Network Manager
	Chris Carter,	Senior Code Inspector
	Clint Smith,	Superintendent- Telecom.

Others present: Johnathon Richardson; Jeannie Richardson; Howard Copeland; Roy Faulkenbury; Kelly Osburn; Others Unidentified.

Chairman Martens called the meeting to order at 6:37 p.m. and declared a quorum was present.

CONSIDER APPROVAL OF MINUTES OF REGULAR MEETING OF APRIL 11, 2022

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

CONSIDER APPROVAL OF RENEWAL OF WATER CONTRACTS WITH RURAL WATER DISTRICT NO. 3, RURAL WATER DISTRICT NO. 4, AND C.D. WATER SYSTEMS, FOR THE PURCHASE OF TREATED WATER

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

ADMINISTRATIVE REPORTS

None

ADJOURN

Motion was made by Lowe, seconded by Mendiola, to adjourn the meeting there being no further business. Vote: Lowe aye; Mendiola aye; Bailey aye; Peerson aye; Martens aye. Motion carried 5-0. The meeting adjourned at 6:40 p.m.

APPROVED the __9th__ day of __**June**__, **2022**.

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SECRETARY TO THE AUTHORITY

(SEAL)

MINUTES

SALLISAW MUNICIPAL AUTHORITY

SPECIAL MEETING

MAY 18, 2022

The Sallisaw Municipal Authority, in conjunction with the Sallisaw Board of Commissioners, met in a special meeting on May 18, 2022, in the Council Chambers, 113 North Elm Street, Sallisaw. Notice of the meeting was given by e-mailing to Sequoyah County Times; by posting at city hall; by posting on the city's website; and, by giving notice to the City Clerk.

Members present:	Ernie Martens,	Chairman
	Ronnie Lowe,	Trustee, Ward 1
	Josh Bailey,	Trustee, Ward 2
	Julian Mendiola,	Trustee, Ward 3
	Kristin Peerson,	Trustee, 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
	Sue Reed,	Chief Accountant
	Jessica Robertson,	Customer Service Supervisor
	Keith Miller,	Building Development Director
	Blakely Smith, Jr.,	Electric Superintendent
	Clint Smith,	Telecommunications Supt.
	Gene Martin,	Equipment Services Supt.
	Randy Jones,	Wastewater Treatment Supt.
	Terry Franklin	Chief of Police
	John Weber,	Police Captain
	George Bormann,	Grants Admin/Eco Dev Dir
	Jamie Phillips,	Solid Waste Supervisor
	Amy Edwards,	Sallisaw NOW
	Anthony Armstrong,	Fire Chief
	Syklar Fullbright,	Grants Specialist
	CJ Eppler,	Plant Foreman
	Amy Edwards,	Prevention Services Director

Others present: None

Mayor Martens called the meeting to order at 9:00 a.m. and declared a quorum was present.

PRESENTATION AND REVIEW OF PROPOSED FY 2022 BUDGET

The City Manager welcomed everyone and thanked them for their time. He then reviewed the City's mission statement, our social media presence, the budget process (preparation and calendar). He noted the excitement of the year is the ODVA project; it will have 170 beds and is expected to bring 300 jobs. He advised that Sallisaw was growing and we were experiencing growing pains. He then reviewed the larger purchases/projects for FY 2022, which include Brushy Lake upgrades, north substation upgrades, completion of the WWTP flow basin project. The Equipment Services Division was able to repurpose several vehicles, saving the City money. We purchased a new rescue truck for the fire department. The WWTP bar screen project is ongoing. Also purchased was a tractor, top dresser, sprayer, and mower. Exercise equipment was purchased for the walking trail at the Sports Complex. The Council Chambers project is complete. He showed photos of the events the City had participated in and the renaming of a portion Opdyke to Buddy Spencer Avenue. A break was taken from 9:40 a.m. to 9:44 a.m.

Robin Haggard, Director of Finance, then presented an in depth overview of the preliminary budget for FY 2023. Noting that the key elements that make up the budget include: anticipated revenue and planned appropriations; equipment purchases from capital improvement; police department remodel and new addition; north end of the Wheeler Event Center remodel; sewer main replacement; summer street program; AMI system; leachate disposal line; construction of cell 8A and shop building at landfill; chip and seal of the landfill road; purchase of a new fire pumper. She reviewed what makes up the General Fund Revenue then reviewed General Fund expenditures. SMA revenues and expenditures were reviewed. She noted that electric sales accounts for 41% of our revenues, sales tax is 24%, telecom 10%, water 7% and landfill and sanitation 10%. The major expenditure categories are salaries and benefits, electric purchase power cost, daily operations, capital project and purchases, debt service and telecom services and fees. She then reviewed the way in which sales taxes are distributed (what goes where). Sales tax and bond requirements were reviewed. The sales and use tax has been very promising for us; 10 months out of the last 11 months showed an increase of over $550,000. Hotel Motel tax was reviewed. She then reviewed the General Fund. There is an estimated 25 million in revenue for the General Fund. She reviewed how the general fund produces revenue. Showing a 6% increase in revenue for the FY 23 budget.

The general fund non-proprietary preliminary budget shows an increase of $922,000. A large portion of that increase is due to 2 positions being added; one for the IT Department, and one for the code department; steel plates for the street department; outsourcing of tree trimming; fuel cost; police laptop lease; and, new security cameras. The operating budget increased by 7%. Items budgets are new computers, telecom splicer, and paint, and pumps for the air gas tanks at the WWTP. General Fund Contingency budget is $379,000. $170,000 of that set aside for a 2% COLA. General Fund transfers and contributions include: $7.7 million in transfer of sales and use tax; $112,000 transfer to youth and rec fund that come from hotel/motel tax; and, $127,000 to support various non-profit groups for a total of $9.3 million in contingency, sundry, and transfers. She noted there are currently 146 positions; 148 are requested. She noted salaries increased by $247,000; however $383,000 comes back to us in grant funds. Health insurance increased by 4.9%. Personnel numbers were reviewed, as well as the retirement plans (OkMRF, Police, Fire). A break was taken from 10:38 am until 10:51 a.m.

Keith Skelton then reviewed the Capital Improvement Fund; 3.3 million. He reviewed several different capital items included in this budget. He reviewed vehicles for purchases, the largest being a new pumper truck for the Fire Department, and transfers for different departments. He reviewed the Infrastructure Improvement Fund; 3.1 million. He noted the need for sewer line extensions to the old BRD facility and South 59 Highway, south of I-40 was discussed. Water line upgrades for Drake Road and extension on Highway 59 south of I-40. Landfill facility entry road repairs were discussed. Continued upgrades to the camera security system was discussed. Series 2020 construction funds were discussed. There were discussions concerning the WWTP aeration basin rehab, and the landfill leachate disposal system. SMA revenue was reviewed. Payoff of Debt Service was reviewed.

Sue Reed, Chief Accountant then reviewed all Special Revenue Funds, how they operate and any goals for this year. She also reviewed the grant funds and how they operate. She gave an overview of grant activities. Staff then summarized all numbers for the proposed FY 2023 budget.

Robin gave a budget summary of the primary funds and SMA debt payments. Along with the need to continue to plan for future infrastructure improvements and adding funding methods; continue to keep track of GRDA expenses, including the PCA issues we are facing; the need for continuing revenue stream to build reserves for future infrastructure needs and improvements;

measure how the opening of the VA facility will affect the community 3-5 years in the future; continue to be fiscally responsible in how we utilize the public funds for operations and capital improvements; look for possible new revenue streams.

At 11:53 a.m., Motion was made by Mendiola, seconded by Bailey, to break for lunch. Vote: Mendiola aye, Bailey aye; Lowe aye; Peerson aye; Martens aye. Motion carried 5-0.

At 12:59 p.m., Motion was made by Peerson, seconded by Bailey, to reconvene. Vote: Peerson aye; Bailey aye; Lowe aye; Mendiola aye; Martens aye. Motion carried 5-0.

The City Manager asked if there were any question about the discussion from this mornings presentations. He also noted that Commissioner Mendiola had brought to his attention an incorrect amount for the tree trimming budget on the presentation slides. The amount budgeted is $175,000 to outsource tree trimming. Commissioner Lowe brought up the COLA. Mr. Skelton noted that staff had presented a 2% COLA, we have $170,000 set aside in the general fund to cover. A 2% COLA increase would raise our starting wage to over $12 per hour. A 3% COLA was proposed. After discussion, it was the consensus of the Board to increase the COLA amount to 3%.

City Manager presented a proposed increase to the Police Chief salary. With the pay adjustments and incentive pay current subordinates make more than the Chief. A resolution will be presented for discussion tomorrow proposing to increase the Police Chiefs salary to $80,000. If approved, this would take effect when the new term starts in April 2023.

Landfill operations were discussed. Current requirements are the construction of Cell 8 for additional space. We are in the process of lateral expansion of current footprint and the relocation of drainage stream per Corps of Engineers. Future needs are: purchase of equipment; possible grinder; continued post closure and closure liability expense; current closure cost; increase revenue streams. The City Manager reviewed operational revenue and expenses of the Landfill. He advised the Board that an offer had been received to purchase the landfill. There is a possibly to generate more revenue by not operating a landfill by riding itself of the capital expenditures and environmental liabilities associated with running a landfill. Is this worth looking at or could this be too good to be true? The consensus was to continue to pursue.

*Commissioner Bailey left at 2:00 p.m. during discussion of above item.

Motion was made by Lowe, seconded by Peerson, to recess meeting until 9:00 a.m., Thursday, May 19, 2022. Vote: Lowe aye; Peerson aye; Mendiola aye; Martens aye. Motion Carried 4-0. Meeting ended at 2:30 p.m.

Thursday, May 19, 2022, Mayor Martens noted all members were present. Motion was made by Mendiola, seconded by Bailey, to reconvene the meeting. Vote: Mendiola aye; Bailey aye; Lowe aye; Peerson aye; Martens aye. Motion carried 5-0. Meeting was reconvened at 9:00 a.m.

Staff present: Keith Skelton, John R. Montgomery; Kim Jamison; Robin Haggard; Sue Reed; Jessica Robertson; Terry Franklin; John Weber; Clint Smith; Amy Edwards; Todd Long; Keith Miller; Gene Martin; George Bormann; Jamie Phillips; Blakely Smith; CJ Eppler; Skylar Fullbright.

Others present: Marty Green; Terri Daniels; Joshua Rogers; Charla Sloan; Carol Brown; Belinda Holmes

CONDUCT PLANNING SESSION TO DISCUSS VARIOUS CITY OPERATIONS, POLICIES, PROGRAMS AND SERVICES; AND, PROVIDE DIRECTION TO STAFF

Joshua Rogers with Sallisaw Main Street visited with council and thanked them for their partnership. He noted Main Streets projects for 2022; partnered with Sallisaw Chamber for a new electronic sign; partnered with Crow Investments for a new sidewalk on Choctaw Street; awarded a grant to the Chamber for a new awning; provided entertainment for the Pocket Park during the spring and summer; movie night and BBQ contest during Diamond Daze; in October will be having a chili cook-off and car show; approved a $5,000 budget for a mural project; and, partnering with the City of Sallisaw for a sidewalk project on Cherokee St.

Terri Daniels, Vice President of SIC visited with council. She noted that SIC was established in 1971 as a facilitator for business development with emphasis on completing the Sallisaw Industrial Park. The 15 person board is comprised of various community leaders. She stated they are currently working on Aviagen expansion. SIC was a facilitator for the City to obtain local financing of the 66 acres next to the airport and hope to be instrumental in bringing new business there. They also support CASC with scholarships. SIC works closely with Cherokee Nation and currently working on a 60 acre tract near the race track for future business development opportunities. SIC requests continued support.

Marty Green was present and visited with council on behalf of the Chamber. He thanked the Board for the support noting that the City was their biggest supporter, not only financially but in other areas as well. He noted the Sallisaw Leadership and Jr. Leadership classes continue to be a success. Diamond Daze was successful. The hope is to make it so successful that we can notice there was an event by the spike in sales tax. The Chamber couldn't make it without the City's contributions.

Charla Sloan spoke on behalf of KiBois noting that they had been in Sallisaw many years. They operate 17 vehicles, 16 drivers and have 2 office personnel. She reviewed various programs they offer. They have a new program called PICK through UBER Transportation and the cost is $3.00 per ride. They also have a contract with EODD to provide free transportation to those 60 and older.

Amy Edwards visited with council concerning the Boys and Girls Club. She reviewed programs and various things the club does for the youth. She thanked council for the funding provided to the club. She noted that there were several grants that had been applied for. She noted a few needs of the Club, such as picnic table and a TV.

Mayor Martens noted that the Farmer's Market had grown in the last several years. Currently they have over 40 participants. He thanked the City for their support. A break was taken from 9:58 a.m. until 10:08 a.m.

Keith Miller visited with council concerning Building Development. He reviewed the different areas that make up Building Development. Animal Control had a total intake of 251 animals. Code Enforcement worked 482 property nuisances. A total of 129 permits were issued with a financial impact of $13,890,908.

George Bormann discussed economic development. He reviewed Sallisaw at a glance. He noted that the Eastgate Shopping Center had recently sold. The Call Center located there is up and going and has 141 employees. Another commercial development is also planned to be located at the Eastgate Center and they are expected to have 100 jobs. Two commercial developments will be located to be south of Casey's, one will be a bank and the other is planned for future development. Many new commercial business came to Sallisaw this past year. Downtown is in the process of being revitalized. There was acreage purchased for future industrial development. Also, there is the potential for industrial expansion. Many ongoing projects in the works; swim complex, skate park, soccer fields, landfill expansion, and Diamondnet and many others.

Amy Edwards and Todd Long reviewed Sallisaw NOW with council. Sallisaw NOW started in 2005. They reviewed some of the history, as well as their purpose and where they are going. They reviewed several ongoing programs they do, as well as partnerships. They noted that they have youth coalitions in Sallisaw and Central schools, and were able to add Gans. A drug take back event was held at the end of April. Their biggest push is safe storage and disposal. They were able to introduce "Hidden in Plain Sight" at Diamond Daze. This is a program to show were drugs could be hidden in a bedroom.

Motion was made by Peerson, seconded by Lowe, to break for lunch. Vote: Peerson aye; Lowe aye; Bailey aye; Mendiola aye; Martens aye. Motion carried. Meeting recessed at 11:44 a.m.

Motion was made by Bailey, seconded by Mendiola, to reconvene after lunch. Vote: Bailey aye; Mendiola aye; Lowe aye; Peerson aye; Martens aye. Motion carried. Meeting reconvened at 12:26 p.m.

The City Manager reviewed electric and GRDA. He also reviewed how the CPBA affects utility bills. PCA rates passed on to us from GRDA continue to be a concern. He reviewed utility rates for electric, water, and Diamondnet. He then reviewed Sallisaw Projects, current and future, in detail. He advised that we utilizing a software program called monday.com to tract projects and contracts. We are in the design phase of the aquatic facility and skate park. We will begin working with and architect for the expansion and remodel of the police department in July or August. A proposed dog park is in the works. The North Substation is operational. He discussed the electric/water AMI system. We are completely revamping the yearly asphalt program. In the future we will need to look at a new WWTP. The rodeo grounds hasn't been forgotten.

CONVENE IN EXECUTIVE SESSION FOR THE PURPOSE OF CONDUCTING ANNUAL REVIEW OF PERFORMANCE OF THE CITY MANAGER; AS AUTHORIZED BY TITLE 25 0.S., § 307(B)(1)

Motion was made by Mendiola, seconded by Bailey, to move to executive session for the purpose as stated. Vote: Mendiola aye; Bailey aye; Lowe aye; Peerson aye; Martens aye. Motion carried 5-0. Executive session began at 1:50 p.m.

RECONVENE TO REGULAR SESSION

Motion was made by Mendiola, seconded by Bailey, to reconvene to regular session. Vote: Mendiola aye; Bailey aye; Lowe aye; Peerson aye; Martens aye.

Motion carried 5-0. Regular session reconvened at 2:15 p.m.

ANY ACTION OR DIRECTION PURSUANT TO EXECUTIVE SESSION

None

Commissioner Bailey left at 2:15 p.m.

ADJOURN

Motion was made by Lowe, seconded by Peerson, to adjourn the meeting there being no further business. Vote: Lowe aye; Peerson aye; Bailey aye; Mendiola aye; Martens aye. Motion carried 5-0. The meeting adjourned at 2:18 p.m.

APPROVED the **9th** day of **June** **2022**.

Ernie Martens, Mayor

ATTEST:

Kim Jamison, City Clerk

(SEAL)

AGENDA ITEM COMMENTARY

Meeting Date:	June 9, 2022
Board:	Sallisaw Municipal Authority
Subject:	Reinvestment

ITEM TITLE: Discuss and Consider Approval of Staff's Request to Reinvest the Meter Fund Certificate of Deposit with National Bank of Sallisaw for 273 Days at 0.35% Interest

INITIATOR: City Clerk

STAFF INFORMATION SOURCE: City Clerk

BACKGROUND: The City Clerk requested quotes for temporarily idle funds. Following receipt of quotes, staff recommends reinvestment of the Meter Fund Certificate of Deposit with the high bidder, National Bank of Sallisaw, for 273 days at 0.35% interest.

EXHIBITS:

KEY ISSUES: N/A

FUNDING SOURCE: N/A

RECOMMENDATION: Approval to reinvest the Meter Fund Certificate of Deposit with National Bank of Sallisaw for 273 days at 0.35% interest.

AGENDA ITEM COMMENTARY

Meeting Date:	June 9, 2022
Board:	Sallisaw Municipal Authority
Subject:	Reinvestment

ITEM TITLE: Discuss and Consider Approval of Staff's Request to Reinvest the Sallisaw Municipal Authority Certificate of Deposit with National Bank of Sallisaw for 273 Days at 0.35% interest

INITIATOR: City Clerk

STAFF INFORMATION SOURCE: City Clerk

BACKGROUND: The City Clerk requested quotes for temporarily idle funds. Following receipt of quotes, staff recommends reinvestment of the Sallisaw Municipal Authority Certificate of Deposit with the high bidder, National Bank of Sallisaw, for 273 days at 0.35% interest.

EXHIBITS: 1. SMA QUOTES

KEY ISSUES: N/A

FUNDING SOURCE: N/A

RECOMMENDATION: Approval to reinvest the Sallisaw Municipal Authority Certificate of Deposit with National Bank of Sallisaw for 273 Days at 0.35% interest.

SALLISAW MUNICIPAL AUTHORITY

REDEPOSIT
OF
TEMPORARILY IDLE FUNDS

JUNE 15, 2022

Fund	Amount
Sallisaw Municipal Authority	$ 804,307.76

Days	Firstar	National	Armstrong
182	0.11%	0.25%	0.26%

Days	Firstar	National	Armstrong
273	0.21%	0.35%	0.25%

Fund	Amount
Meter Fund	$ 488,882.81

Days	Firstar	National	Armstrong
182	0.11%	0.25%	0.26%

Days	Firstar	National	Armstrong
273	0.21%	0.35%	0.25%

115 East Choctaw P.O. Box 525 Sallisaw, OK 74955
Ph. 918-775-6241 Fax 918-775-9550 www.sallisawok.org

TO: Armstrong Bank

May 25, 2022

The Sallisaw Municipal Authority requests quotes on time deposits of idle funds for the time specified beginning on ***June 15, 2022***:

FUND	**AMOUNT**	**DAYS**	**MATURITY**	**QUOTE**
Meter Fund	***$ 488,882.81***	*182*	*December 14, 2022*	.26
		273	*March 15, 2023*	.25
Sallisaw Mun Auth	***$ 804,307.76***	*182*	*December 14, 2022*	.26
		273	*March 15, 2023*	.25

Quotes will be received by the City Clerk via e-mail; **kjamison@sallisawok.org**, and must be received by **10:00 a.m., Thursday, June 2, 2022**. Quotes will then be reviewed by the City Clerk. Recommendation for award will be presented at a special meeting of the Sallisaw Municipal Authority, immediately following the meeting of the Board of Commissioners beginning at 4:00 p.m., June 9, 2022.

Please ensure that your facility has sufficient collateral pledged, should you be the successful bidder.

Kim Jamison

Kim Jamison, Secretary

Submitted by:

Armstrong Bank

Date: 5-25-22

By:

115 East Choctaw P.O. Box 525 Sallisaw, OK 74955
Ph. 918-775-6241 Fax 918-775-9550 www.sallisawok.org

TO: National Bank of Sallisaw

May 25, 2022

The Sallisaw Municipal Authority requests quotes on time deposits of idle funds for the time specified beginning on ***June 15, 2022***:

FUND	AMOUNT	DAYS	MATURITY	QUOTE
Meter Fund	***$ 488,882.81***	*182*	*December 14, 2022*	0.25%
		273	*March 15, 2023*	0.35%
Sallisaw Mun Auth	***$ 804,307.76***	*182*	*December 14, 2022*	0.25%
		273	*March 15, 2023*	0.35%

Quotes will be received by the City Clerk via e-mail; **kjamison@sallisawok.org**, and must be received by **10:00 a.m., Thursday, June 2, 2022**. Quotes will then be reviewed by the City Clerk. Recommendation for award will be presented at a special meeting of the Sallisaw Municipal Authority, immediately following the meeting of the Board of Commissioners beginning at 4:00 p.m., June 9, 2022.

Please ensure that your facility has sufficient collateral pledged, should you be the successful bidder.

Kim Jamison

Kim Jamison, Secretary

Submitted by:

National Bank of Sallisaw

Date: 6/1/22

By:

115 East Choctaw P.O. Box 525 Sallisaw, OK 74955
Ph. 918-775-6241 Fax 918-775-9550 www.sallisawok.org

TO: Firstar Bank

May 25, 2022

The Sallisaw Municipal Authority requests quotes on time deposits of idle funds for the time specified beginning on ***June 15, 2022***:

FUND	AMOUNT	DAYS	MATURITY	QUOTE
Meter Fund	*$ 488,882.81*	*182*	*December 14, 2022*	.11 %
		273	*March 15, 2023*	.21 %
Sallisaw Mun Auth	*$ 804,307.76*	*182*	*December 14, 2022*	.11 %
		273	*March 15, 2023*	.21 %

Quotes will be received by the City Clerk via e-mail; **kjamison@sallisawok.org**, and must be received by **10:00 a.m., Thursday, June 2, 2022**. Quotes will then be reviewed by the City Clerk. Recommendation for award will be presented at a special meeting of the Sallisaw Municipal Authority, immediately following the meeting of the Board of Commissioners beginning at 4:00 p.m., June 9, 2022.

Please ensure that your facility has sufficient collateral pledged, should you be the successful bidder.

Kim Jamison

Kim Jamison, Secretary

Submitted by:

Firstar Bank

Date: 6-1-22

By: [signature]

AGENDA ITEM COMMENTARY

Meeting Date:	June 9, 2022
Board:	Sallisaw Municipal Authority
Subject:	Water Purchase Contract

ITEM TITLE: Consider Approval of Water Contract with C.D. Water Systems, for the Purchase of Treated Water

INITIATOR: City Manager
City Clerk

STAFF INFORMATION SOURCE: City Manager

BACKGROUND: After the May 9th meeting, we were notified that the ownership of C.D. Water Systems had changed to Larry and Stephanie Emerson. Therefore the contract had to be updated and brought back for consideration. Staff recommends renewal of water contract for the upcoming fiscal year.

- For CD Water Systems, the City Manager recommends an increase in the contract price from $4.40 to $4.62 per 1,000 gallons for the first 375,000 gallons of water. Any water utilized over their agreed upon amount will be billed at $4.88.

EXHIBITS: 1. CD Water Systems 2022.23 contract modified to new owner

KEY ISSUES: N/A

FUNDING SOURCE: N/A

RECOMMENDATION: Staff recommends approval of the water contract.

C. D. WATER SYSTEMS
WATER PURCHASE CONTRACT

This contract for the sale and purchase of water is entered into as of the **9th** day of **June 2022** between the **SALLISAW MUNICIPAL AUTHORITY,** hereinafter referred to as the **"AUTHORITY"**, and **LARRY EMERSON AND STEPHANIE EMERSON d/b/a C. D. WATER SYSTEMS,** hereinafter referred to as the **"SYSTEM".**

WITNESSETH

WHEREAS, the **SYSTEM** has been organized and established for the purpose of constructing and operating a water supply distribution system serving water users within the area described in plans now on file in the office of the **SYSTEM** and to accomplish this purpose, the **SYSTEM** will require a supply of treated water, and

WHEREAS, the **AUTHORITY** owns and operates a water supply distribution system with the capacity currently capable of serving the present customers of the **AUTHORITY** system and the estimated number of water users to be served by the said **SYSTEM,** and

WHEREAS, by motion on the **9th** day of **June 2022** by the Board of Trustees of the **AUTHORITY,** the sale of water to the **SYSTEM** in accordance with the provisions of the said motion was approved, and the execution of this contract carrying out the said motion by the chairman of the Board of Trustees and attested by the Secretary was duly authorized, and

WHEREAS, on the ______________ day of _________________________, 2022 the purchase of water from the **AUTHORITY** in accordance with the terms set forth in the said motion was approved by the **SYSTEM** and the execution of this contract was duly authorized;

NOW, THEREFORE, in consideration of the foregoing and mutual agreements set forth,

THE AUTHORITY AGREES:

1. (Quality and Quantity) To furnish the **SYSTEM,** at the point of delivery hereinafter specified, during the term of this contract or any renewal or extension thereof, potable treated water meeting applicable purity standards of the State Board of Health in such quantity as may be required by the **SYSTEM.** The **AUTHORITY** will supply a maximum of 375,000 gallons per month to the **SYSTEM.**

2. (Point of Delivery and Pressure) That water will be furnished at a reasonable constant normal pressure calculated at 40 psi from an existing main located at a point approximately 133 feet SE of a point where Rogers Street intersects the existing County Road running in a Northwesterly-Southeasterly direction. If a greater pressure than that normally available at the point of delivery is required by the **SYSTEM,** the cost of providing such greater pressure shall be borne by the **SYSTEM.** The pressure pumps of the **SYSTEM** shall be operated at a rate not to exceed 100 gpm and shall be operated during those hours which the **SYSTEM** has lowest consumption; said hours are to be approved by the **AUTHORITY**.

Emergency failures of pressure or supply due to main supply line breaks, power failure, flood, fire and use of water to fight fire, earthquake or other catastrophe shall excuse the **AUTHORITY** from this provision for such reasonable period of time as may be necessary to restore service.

THE SYSTEM AGREES:

1. (Rates and Payment Date) To pay the **AUTHORITY** not later than the last day of each month for water delivered. The amount of water used to be determined by the reading of a master meter to be provided and installed by the **AUTHORITY** and the following rates to be applied to this gross amount.

a. First 375,000 gallons per month - $4.62 per thousand gallons. This charge for water is based on anticipated cost and if cost exceeds this amount, the **AUTHORITY** shall have the right to renegotiate the contract.

b. If water loss for any given month exceeds 25%, the District will be assessed an additional charge of $ 0.35 per thousand gallons.

c. The **SYSTEM** agrees that for any water used in excess of the amount set forth above, the **SYSTEM** will pay to the **AUTHORITY** a charge of $4.88 per thousand gallons for all water used over the gallon limit allowed.

d. The **SYSTEM** agrees to pay any temporary surcharge, which is assessed by the **AUTHORITY** to its other customers, as part of an approved water conservation program.

e. The **SYSTEM** agrees to pay additional rate increases if the **AUTHORITY** increases rates for other water customers during the term of this agreement.

2. If payment for said water is not made within 30 days after receipt of said statement, the **AUTHORITY** may, at its option and upon ten (10) day notice by registered letter to the office of the **SYSTEM**, discontinue the furnishing and sale of water to the **SYSTEM.** Upon failure to pay for said water within such 30-day period, the **AUTHORITY** may institute legal action to enforce collection of any such amount due and the **SYSTEM** agrees to pay for all expenses of suit, including a reasonable attorney's fee.

3. The **SYSTEM** agrees to provide to the **AUTHORITY** a monthly report showing water loss for the previous month. This report is to be submitted with payment. **The SYSTEM agrees to take reasonable action to maintain its system to minimize water loss. For water loss in excess of 25% for any given month, a penalty, as shown in paragraph 1.b above, will be assessed.**

4. The **SYSTEM** agrees to abide by and strictly enforce all water conservation measures as mandated by the AUTHORITY.

IT IS FURTHER MUTUALLY AGREED BETWEEN THE AUTHORITY AND THE SYSTEM, AS FOLLOWS:

1. (Term of Contract) This contract shall be for a period beginning July 1, 2022 and ending June 30, 2023 at the termination of which the **AUTHORITY** and the **SYSTEM** may renegotiate.

2. It is further agreed that the **SYSTEM** may not sell water to any other Water District or System without written consent of the **AUTHORITY.**

3. (Failure to Deliver) That the **AUTHORITY** will at all times operate and maintain its system in an efficient manner and will take such action as may be necessary to furnish the **SYSTEM** with quantities of water required by the **SYSTEM.** Temporary or partial failures to deliver water shall be remedied with all possible dispatch. In the event of an extended shortage of water or the supply of water available to the **AUTHORITY** is otherwise diminished over an extended period of time, the supply of water to **SYSTEM** consumers shall be reduced or diminished. The **AUTHORITY** shall retain first right and priority to the availability of its water.

4. (Regulatory Agencies) That this contract is subject to such rules, regulations or laws as may be applicable to similar agreements in the State of Oklahoma and the **AUTHORITY** and **SYSTEM** will collaborate in obtaining such permits, certificates or the like, as may be required to comply therewith.

5. The **SYSTEM** hereby agrees to hold the **AUTHORITY** harmless from any and all actions, claims, demands or judgments arising from the maintenance, upkeep or operation of their respective distribution equipment and facilities and to defend at their expense all such actions whereby the **AUTHORITY** may be named as a party.

IN WITNESS WHEREOF, the parties hereto, acting under authority of their respective governing bodies, have caused this contract to be duly executed in two (2) counterparts, each of which shall constitute an original.

SALLISAW MUNICIPAL AUTHORITY

BY:________________________________

Chairman of the Board of Trustees

ATTEST:

____

Secretary

(SEAL)

C.D. WATER SYSTEMS

By:____________________________

OWNER

AGENDA ITEM COMMENTARY

Meeting Date:	June 9, 2022
Board:	Sallisaw Municipal Authority
Subject:	Engineering Contract

ITEM TITLE: Discuss and Consider Approval of Engineering Contract Between the Sallisaw Municipal Authority and Neel, Harvell and Associates, P.C., Consulting Engineers, for Rehabilitation of Existing Aeration Basin, in the Amount of $27,500.00.

INITIATOR: General Manager
Wastewater Treatment Plant Superintendent

STAFF INFORMATION SOURCE: Neel, Harvell and Associates

BACKGROUND: This engineering agreement is for the design, permitting and construction management of an existing aeration basin at the wastewater treatment facility. This basin has been out of service for several years due to cracks in the concrete. We plan to rehabilitate the basin using either an epoxy or heavy liner.

EXHIBITS: 1. Engr Contr 2022

KEY ISSUES: Once repaired and operational, the basin will allow more wastewater to be treated at a faster rate. This will be especially helpful during periods of heavy rain when additional stormwater must be treated.

FUNDING SOURCE: Fund 90 and 92 project budgets.

RECOMMENDATION: Staff recommends approval.

<u>CONTRACT FOR ENGINEERING SERVICES</u>

THIS AGREEMENT, made and entered into this____ day of**_________________, 2022**, by and between NEEL, HARVELL and ASSOCIATES, P.C. , CONSULTING ENGINEERS, hereinafter called ENGINEER, and the **Sallisaw Municipal Authority**, hereinafter called the OWNER.

WITNESSETH, that whereas the OWNER intends to perform certain Improvements to the

WASTEWATER TREATMENT PLANT IMPROVEMENTS

Existing Aeration Basin Rehabilitation

NOW, THEREFORE, THE OWNER AND ENGINEER, for the considerations hereinafter set forth, agree as follow:

1. THE ENGINEER AGREES to serve as the OWNER'S professional representative in the preparation of the plans and specifications and in the general construction observation of the PROJECT during construction for compliance with these plans and specifications and to provide the following detailed services to the OWNER in connection with the PROJECT.

   (a) Perform all necessary services regarding the proposed PROJECT to provide preliminary plans and preliminary cost data for the OWNER.

   (b) Perform the necessary surveys and compile necessary data for use in the design of the PROJECT.

   (c) Prepare the detailed construction drawings and specifications for the improvements and furnish the OWNER with a copy of same, procure the approval of any and all approving agencies having jurisdiction over the PROJECT as directed by the OWNER, procure all necessary permits for construction of the PROJECT, prepare proposal forms, notices to bidders, complete working drawings, specification, and contract documents satisfactory to the OWNER for the effective coordination and execution of the construction work and furnish detailed estimates of cost of the construction utilizing the completed drawings and specification as approved.

(d) Render assistance in obtaining bids, attend bid openings, analyze bids received, make recommendations as to the lowest and best bidder and render assistance in the award of the contracts.

(e) Furnish general supervision during the construction phase of the PROJECT which shall include horizontal and vertical control information for the setting of construction stakes, approval of working drawings, preparation of monthly pay estimates and other general administrative work on the PROJECT.

(f) The ENGINEER shall have the authority to make minor changes during the construction to insure the OWNER that the work will be properly constructed. All extra work must be added by change order and must be approved by the OWNER, the Contractor, and the ENGINEER.

2. THE OWNER AGREES to pay the ENGINEER for the services as described in the preceding paragraphs at the rates as set forth below. These payments constitute complete compensation for the services rendered by the ENGINEER.
The fee shall be as follows:

Engineering Fee	$	21,000.00
General Inspection	$	6,500.00
Total Engineering Fees	**$**	**27,500.00**

Seventy percent (70%) of the Engineering Fee shall be due and payable upon the approval by the OWNER of the plans and specification. The remaining thirty percent (30%) shall be spaced in equal monthly payment over the period of the construction contract.

The OWNER shall pay the cost of all review fees and special tests ordered by him in addition to the above fee.

The OWNER shall pay as additional costs any right of way or easements survey, cost of topographic maps for master planning, including field work necessary for horizontal and vertical control, and any other additional work not covered by the preceding paragraphs of this contract, at the following hourly rates.

Engineer, Principal	$ 125.00
Engineer, Project	$ 100.00
Surveying	$ 325.00
Engineering CAD Technician	$ 75.00
General Inspection	$ 50.00
Full Time Inspection	$ 65.00
CAD	$ 75.00
Secretary	$ 35.00
Reproduction & Misc. Expenses	Actual Cost

No deductions shall be made from the ENGINEER'S fee on account of penalties, liquidated damages, or other sums withheld from the payment to the contractors.

3. THE COST OF THE WORK as referred to herein, means the cost to the OWNER, but such cost shall not include any ENGINEER'S or Special consultant's fee or reimbursements or cost of land or right of way, or cost of equipment (not designed or specified by the ENGINEER), or cost of insurance, or the cost of any administrative or legal expense, or special test or review fees authorized by the OWNER.

4. DRAWINGS AND SPECIFICATIONS ARE the property of the OWNER whether the work for which they are made be executed or not.
Sets of plans and specifications will be furnished to the OWNER at his request and without cost to the OWNER other that the direct expense of producing the copies, specifications, blueprints of drawings and the copies of other documents relating to the work which the OWNER may require for his own use of record. Upon completion of the work the ENGINEER will furnish the OWNER with one (1) set of reproducible "As-Built" plans as required by the OWNER.

5. THIS CONTRACT MAY BE TERMINATED by either party upon thirty (30) days notice in writing. In the event that the contract is terminated by the OWNER at no fault of the ENGINEER, the ENGINEER shall be paid promptly for all work performed to the date of termination. If the ENGINEER should default, no payment shall be made to him except for the portion of the work performed which will be of value to the OWNER and which the OWNER decides to purchase.

   All completed or partially completed designs, plans and specifications prepared under this contract shall become the property of the OWNER when and if the contract is terminated.

6. THE OWNER AND ENGINEER each binds himself, his partners, successors, executors or administrators and assigns to the other party to this agreement, and to the partner, successors, executors, administrators, and assigns to such other party in respect of all covenants of this agreement. Except as above, neither the OWNER nor the ENGINEER shall assign, sublet, or transfer his interest in this Agreement without the written consent of the other.

IN WITNESS WHEREOF the parties hereto have made and executed this AGREEMENT the day and year first above written.

OWNER:

Sallisaw Municipal Authority
P.O. Box 525
Sallisaw, Oklahoma 74955

BY: ______________________
Mayor

ATTEST:

BY: ______________________
Clerk

ENGINEER:

Neel, Harvell and Assoc., P.C.
Consulting Engineers & Planners
123 North Oak
Sallisaw, Oklahoma 74955

BY: ______________________
P. Doug Harvell, P.E.

ATTEST:

BY: ______________________
Scott Neel

AGENDA ITEM COMMENTARY

Meeting Date:	June 9, 2022
Board:	Sallisaw Municipal Authority
Subject:	GRDA Power Cost Adjustment

ITEM TITLE: Update and Discussion on the Grand River Dam Authority Power Cost Adjustment for the Month of July 2022; Possible Direction of Staff.

INITIATOR: General Manager
Director of Finance

STAFF INFORMATION SOURCE: Grand River Dam Authority

BACKGROUND: At their June 8, 2022 board meeting, GRDA Board of Directors considered a PCA for the month of July in the amount of $0.04272 per kWh. This is an increase from the June PCA of $0.03933.

EXHIBITS: 1. GRDA PCA to July 2022

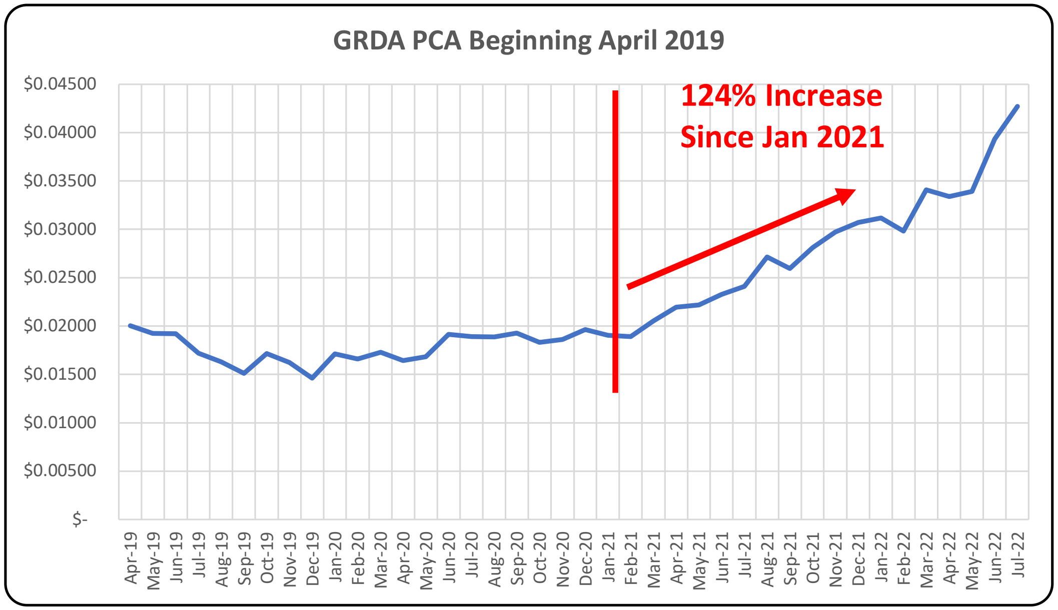
KEY ISSUES:

- Natural gas prices continue to increase.
- The increase in natural gas prices continues to drive the GRDA PCA costs upward.

FUNDING SOURCE: NA

RECOMMENDATION: NA

	GRDA PCA	Sallisaw PCA Cost
Apr-19	$ 0.02002	$ 157,365
May-19	$ 0.01922	$ 173,803
Jun-19	$ 0.01920	$ 202,729
Jul-19	$ 0.01718	$ 208,702
Aug-19	$ 0.01629	$ 204,726
Sep-19	$ 0.01509	$ 176,448
Oct-19	$ 0.01716	$ 146,808
Nov-19	$ 0.01624	$ 150,210
Dec-19	$ 0.01462	$ 147,525
Jan-20	$ 0.01710	$ 184,983
Feb-20	$ 0.01659	$ 164,350
Mar-20	$ 0.01730	$ 142,876
Apr-20	$ 0.01643	$ 113,403
May-20	$ 0.01683	$ 130,788
Jun-20	$ 0.01914	$ 207,913
Jul-20	$ 0.01890	$ 240,397
Aug-20	$ 0.01888	$ 220,549
Sep-20	$ 0.01929	$ 180,303
Oct-20	$ 0.01829	$ 148,112
Nov-20	$ 0.01863	$ 147,815
Dec-20	$ 0.01962	$ 204,735
Jan-21	$ 0.01905	$ 208,612
Feb-21	$ 0.01892	$ 214,521
Mar-21	$ 0.02052	$ 168,358
Apr-21	$ 0.02194	$ 164,798
May-21	$ 0.02219	$ 170,728
Jun-21	$ 0.02328	$ 248,047
Jul-21	$ 0.02409	$ 289,789
Aug-21	$ 0.02712	$ 344,217
Sep-21	$ 0.02594	$ 278,838
Oct-21	$ 0.02811	$ 230,488
Nov-21	$ 0.02972	$ 238,556
Dec-21	$ 0.03070	$ 264,018
Jan-22	$ 0.03118	$ 365,522
Feb-22	$ 0.02983	$ 304,170
Mar-22	$ 0.03409	$ 302,546
Apr-22	$ 0.03337	$ 248,169
May-22	$ 0.03391	$ 305,151
Jun-22	$ 0.03933	
Jul-22	$ 0.04272	Proposed
Aug-22		



GRDA PCA		
	Jul-22	$ 0.04272
	Jan-21	$ 0.01905
	Increase	$ 0.02367
	Increase %	124.3%

https://oilprice.com/oil-price-charts/#Natural-Gas

AGENDA ITEM COMMENTARY

Meeting Date:	June 9, 2022
Board:	Sallisaw Municipal Authority
Subject:	Manager Contract

ITEM TITLE: Discuss and Consider Approval of Manager Contract for the Period July 1, 2022 to June 30, 2023

INITIATOR: City Manager

STAFF INFORMATION SOURCE: City Manager
Board of Commissioners

BACKGROUND: This agreement is for the term of July 1, 2022 through June 30, 2023.

EXHIBITS:

KEY ISSUES: None

FUNDING SOURCE: General Fund Budget

RECOMMENDATION: Approval of Agreement