

MINUTES OF THE REGULAR MEETING OF MARIETTA CITY COUNCIL
TUESDAY, AUGUST 9, 2016 6:00 P.M.
MARIETTA PUBLIC WORKS AUTHORITY BUILDING
303 W. MAIN
MARIETTA, OKLAHOMA

1. The Meeting was called to order by Mayor Cochran at 6:01 p.m.
2. DECLARATION OF QUORUM:

Council Members Present: Tom Kiser, Kermit McKinney, Wayne Bond, Lawrence Anderson, Richard Barker and Ron Jacobs.

A quorum to conduct business was declared.

Also Present: City Attorney - Richard Cochran, City Clerk – Dottie Gwin and other members of the public and a number of employees from the City of Marietta.

3. Invocation was given by Lawrence Anderson.
4. Mayor's comments and report.

The Mayor delayed his comments until later.

5. Consent Agenda:
 - a. Approval of the agenda as part of the minutes.
 - b. Approval of the minutes of the July 14, 2016 Regular Council Meeting.
 - c. Approval of expenditures from General Fund, if any.
 - d. Approval of expenditures from Sanitation Transfer Fund, if any.
 - e. Approval of payment of payroll and scheduled monthly payments.
 - f. Approval of payment of Sanitation/Transfer Site payroll and scheduled monthly payments.
 - g. Approval of expenditures from Municipal Court Fund, if any.
 - h. Approval of expenditures from Grant Fund, if any.
 - i. Approval of expenditures from Police Improvement Fund, if any.
 - j. Approval of expenditures from Cemetery Care Fund, if any.
 - k. Approval of expenditures from Street Fund, if any.

Kermit McKinney moved to approve the Consent Agenda.

Seconded by Ron Jacobs.

Ayes: Tom Kiser, Kermit McKinney, Wayne Bond, Lawrence Anderson, Richard Barker and

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Ron Jacobs.
Nays: None.
Motion Passes.

6. Items removed from the consent agenda, if any.

None.

7. Public participation.

None.

8. Oklahoma Highway Safety Office (OHSO) – “Obey the Sign or Pay the Fine” Grant.
(Jerry Cochran)

Chief Scott stated the deadline for this grant is August 12. It is intended to increase the number of citations given and provide the officers overtime compensation for the period of September 23, 2016 to September 25, 2016. The grant is for the overtime hours worked and the department would not use anymore overtime than what the grant would cover.

Wayne Bond moved to approve the Oklahoma Highway Safety Office Grant.
Seconded by Tom Kiser.

Ayes: Tom Kiser, Kermit McKinney, Wayne Bond, Richard Barker voted yes stating the officers would be on the interstate just this one time, and Ron Jacobs.

Nays: Lawrence Anderson.

Motion Passes.

9. Update on Demolition Project. (Dustin Scott)

Chief Scott updated the Council on the demolition project. He stated the labor is intensive and takes about 95% of his time. As of now they are about seven (7) days off the predicted schedule. Asbestos samples have been sent off. They will be about two (2) weeks off the predicted schedule when they are finished but stated the project is moving forward and will get done.

10. Approval for awarding contracts for abatement of property, including any necessary resolution and/or ordinance. (Dustin Scott)

Chief Scott stated the burned house on Bill Halstied needed to be cleaned. The costs is \$1,9000.00 and it was decided the Mayor, Council President and the Chief can make these decisions in an emergency case.

11. Purchase oil and chip for streets and cemetery. (Randall Hembree)

Randell Hembree stated the County will be able to help with this in September. Six (6) thousand gallons of oil costs approximately \$8,240.00. The City will also need around 1000 tons of chips which will cost around \$10,000. They have two (2) hours to get it off the truck and then it will be an extra \$75.00 per hours. Dolese is the only place to get the chips and Aragon is the only place to get the oil. (See attached list of proposed streets.)

Kermit McKinney moved to approve purchase of oil and chips to do the approximately 2.5 miles of streets presented, not to exceed \$37,500.00 and to authorize Randell Hembree to purchase 1,500 tons of chips from Dolese and 15,000 gallons of CRS2 oil from Argon for oil. The approximate costs for the chips will be \$15,000.00 and the oil \$21,000.00. An additional \$1,500.00 is allowed for fuel costs to the County.

Seconded by Tom Kiser.

Ayes: Tom Kiser, Kermit McKinney, Wayne Bond, Lawrence Anderson, Richard Barker and Ron Jacobs.

Nays: None.

Motion Passes.

12. Emergency Management Agreement with Love County.

Kermit McKinney moved to approve the Emergency Management Agreement with Love County.

Seconded by Richard Barker.

Ayes: Tom Kiser, Kermit McKinney, Wayne Bond, Lawrence Anderson, Richard Barker and Ron Jacobs.

Nays: None.

Motion Passes.

13. Tort claim of Daryl Ware.

It was stated OMAG recommends the Council deny this claim immediately to begin the appeal time. Mr. Ware should have filed the claim against the County.

Ron Jacobs moved to deny the tort claim of Daryl Ware.

Seconded by Lawrence Anderson.

Ayes: Tom Kiser, Kermit McKinney, Wayne Bond, Lawrence Anderson, Richard Barker and Ron Jacobs.

Nays: None.

Motion Passes.

14. Direct deposit for City employees and Officers of the City including the City Judge and/or the payment of any or all bills online.

After discussion, Attorney Cochran was asked to find out if it is legal to force employees to do

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direct deposit and to call Chris Angel to find out his opinion about paying bills online and then fix the policy and procedures of the City to comply with the findings.

This item will be put back on the September agenda.

15. New and unforeseen business.

Dottie Gwin mentioned the trash pickup and stated that three (3) out of the four (4) times trash had been picked up on the new schedule, trash in her area had not been picked up until the next day. She stated that she understood it was a lot and the employees were working in extreme heat but if it couldn't be picked up until Wednesday maybe it shouldn't be placed outside until Wednesday. (This was new and unforeseen and could not be placed on the Agenda as the trash ran this date and she didn't know until she got home that it had not been picked up.)

4. Mayor's comments and report. (See attached.)

Mayors comments: The Mayor stated there was a mixup on the budget and the new sales tax collection was not appropriately budgeted. He will get that fixed. He also stated he would like to set up a training for the City like the one at Healdton. He wants regular meetings to last no more than one hour. The men hired to repair the City Hall and Fire Department roof keep putting us off. The City needs a credit card for purchases when purchase orders aren't acceptable.

16. Adjourn.

Meeting adjourned at 7:32 p.m.



Dottie Gwin, City Clerk
Scott Chaney, Deputy City Clerk

OIL AND CHIP

Higgins and Washington St. from Hwy. 77 east to N. 2nd street.

Mill St. from Hwy. 77 east to N. Front ST

Broadway from Hwy. 77 east to N. Front St.

Seminole St. east to S. Front street

S. Elmwood St. from Hwy. 32 south to Beginning of cemetery road

W. Creek St. from railroad east to S. Elmwood St.

All of ash St.

Halstead St. from railroad east to end of street

N Drift wood St. from Hwy 32 north to end of street.

**ENTRANCE ROADS ON BOTH CEMETERIES
(CEMERTERY CARE FUND)**

**DISCOVER OF FINANCIAL BLUNDER
BY JERRY COCHRAN
MAYOR, CITY OF MARIETTA, OK
8/9/2016**

The buck stops here. So I will take the blame for this blunder. But there are others involved. Here are the facts as I know them.

Yesterday I discovered that what I thought I had made clear to our financial advisor was not understood. It was my intention that the additional funds from the 1% sales and use tax that we started collecting on December 10th, 2015 was going into a reserve, and that only \$5,000 was being made available for infrastructure as I had promised. We should have made a budget amendment for the 2015-2016 budget. I discovered that this had not happened and that it was not budgeted for the FY 2016-2017 budget. To not do this would be a breach of promise and destroy the trust of the residents in city government. I did not fully understand what was happening, due to the lack of knowledge on my part. It was also not discovered by the council or anybody else for that matter. Therefor (following past practices) all of our income was in the general fund and appropriated by the council for the budget.

As of July 29th we had \$319,901.50 in the general fund account. Further checking revealed that on November 30th, 2015 we had \$145,972.67. I have not had time to check but I believe that the difference in these totals (\$173,928.83) is about what we collected from the 1% sales and use tax. It is my opinion that we must rectify this problem immediately. I will meet with the department heads and the financial advisor as soon as possible and come up with a solution. I had met with the department heads yesterday and confirmed in my mind that what I suspected was true. We discussed cutting the budget and quickly discovered that many programs we had approved would suffer drastically. The department heads informed me that if I set a budget for them they would live within it, but many things would not be done.

At this point I need all of the advice that you have to offer. I would prefer that no more than two Councilmen be on this committee to rectify this problem. In my opinion we should put all of the funds generated by the 1% sale and use tax in a reserve fund that is set aside for infrastructure. We should have also amended the 2015-2016 budget in December 2015.

After meeting with the department heads I am sure that we will completely have to redo the 2016-2017 budget. While we are at it we also need to

A. Amend the budget to establish an infrastructure reserve (all but \$5,000 per month of the 1% increase)

B. We need to establish a general fund reserve fund and set a goal to make it grow gradually until we have at least 50% of the annual budget in that reserve. (at least 10% a year).

1. We borrowed from the future by establishing lease purchase loans (we still have two of those loans that we pay about \$2,500 a month for)

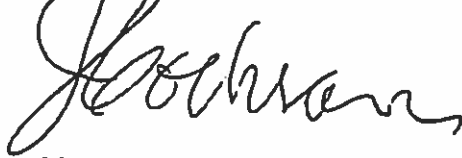
2. It was and is now our policy to:

- Appropriate all funds to the budget (no reserve)

- Let the department heads spend with some limitations, authority to spend up to \$500 per transaction, up to \$1,000 if approved by the Mayor, up to \$5,000 if approved by the Mayor and President of the Council

We should revisit this latest policy. We should redo the budget, establish a reserve fund and review our financial policy.

Jerry Cochran

A handwritten signature in black ink, appearing to read "J. Cochran", written in a cursive style.

Mayor