



## WATONGA CITY COUNCIL MEETING MINUTES FOR OCTOBER 19, 2021

*In accordance with the Oklahoma Open Meeting Law, this Agenda was posted October 15, 2021 Prior to 5:00 PM at the Main Street Entrance of Watonga City Hall, located at 410 West Main Street, Watonga, Oklahoma.*

**The City Council of the City of Watonga did meet at 6:00 PM on Tuesday, October 19, 2021 in the Conference Room of Watonga City Hall, located at 410 W. Main Street, Watonga, Oklahoma for a scheduled meeting.**

### **Invocation & Pledge of Allegiance:**

**Council Present:** Travis Bradt, Allen Cowan, Lindsey Doyel and Mayor Bill Seitter. Also present, City Manager Karrie Beth Little and City Clerk Verlen Bills. Ladina Willis and City Attorney Jared Harrison were absent.

**Declaration of a Quorum:** At 6:02 PM.

### **AGENDA**

1. **Approve the Minutes** of the previous Council Meeting held September 21, 2021.

Motion to approve the Minutes of the previous Council Meeting held September 21, 2021 was made by Allen Cowan and seconded by Travis Bradt.

Mayor Seitter, hearing no further comment, called for a vote:

T. Bradt aye   A. Cowan aye   L. Doyel aye   B. Seitter aye

Motion carried.

2. **Approve the Monthly Reports** from EMS, Fire Department, City Treasurer, Library, Police Department, Community Development, Park's Department, Light & Water Department, Street & Alley Department and the Airport.

Mayor Sitter noted that the Airport Runway project seems to be getting underway.

Mrs. Ohman replied that actual construction should start about December or January to be ready for asphalt in the Spring.

Mayor Seitter asked, is there was still any interest in building hangers?

Mrs. Ohman answered that there is, but this is still in the planning stages.

Mr. Cowan asked, last month, EMS Director Josh Boden had asked for a special meeting?

Ms. Little replied; we got that misunderstanding cleared up.

Mr. Cowan expressed appreciation for the new additional department reports.

Allen Cowan made the motion to approve the Monthly Reports from EMS, Fire Department, City Treasurer, Library, Police Department, Community Development, Park's Department, Light & Water Department, Street & Alley Department and the Airport. Motion was seconded by Lindsey Doyel.

Mayor Seitter, hearing no further comment, called for a vote:

T. Bradt aye    A. Cowan aye    L. Doyel aye    B. Seitter aye

Motion carried.

3. **Review and accept the list of Claims** against the City of Watonga for the month of September 2021.

Mayor Seitter; Ms. Little, Ms. Phillips and I have been discussing the claims, invoices and purchase orders since about four o'clock this afternoon. There were a few technicalities with the dates on a couple of purchase orders, but I'm comfortable enough with the list of claims to approve at this time, in order to move forward.

Mr. Bradt asked, did we get reimbursed by the Insurance Company for the mold damage at the Theater?

City Treasurer replied, we paid the invoice, but the Insurance Company denied the claim. It is just our expense.

Mr. Cowan asked, now that the mold remediation has been done has anyone checked the building?

City Clerk Bills commented that he and several others had been in the building and all seemed to be good.

Mr. Cowan asked, on the tickets from Mark's Service Center we are being charged tax. I also see where we have been credited back. Has this been this way in the past?

City Manager Karrie Beth Little; it was not previously this way, but it is an accountability issue. The employee is signing a ticket for one amount but the actual billing is different. I asked Mark's Service Center to go back and recalculate the tickets.

Mr. Cowan asked, were we paying the fuel taxes?

Ms. Little; the invoice we paid from had the taxes deducted. It was an accountability issue for me because the tickets that were being signed did not match what was being invoiced at the end of the month.

Mr. Bradt and Mr. Cowan asked if this was the same situation for Loves and Hutches?

Ms. Little; this is somewhat different because this is paid for with fuel cards.

There was discussion as to why we need the fuel cards and the need to purchase fuel after hours and out of town.

Officer Jason Porter explained why the Police Units need to leave town at times. He explained about Emergency Orders of Detention and having to transport people to other facilities.

Mayor Seitter asked, then we are out that expense?

Officer Porter replied no, the State does reimburse for this.

City Treasure Rodney Jacks confirmed this.

Mayor Seitter asked, the Officers us the Fleet Card when they are out of town?

Officer Porter answered, we try to use the Loves card when we can, but sometimes we have to use the Fleet Card.

Allen Cowan made the motion to approve the claims against the City of Watonga for the month of September 2021. Travis Bradt seconded the motion.

Mayor Seitter, hearing no further comment, called for a vote:

T. Bradt aye    A. Cowan aye    L. Doyel aye    B. Seitter aye

Motion carried.

4. **Approve the Monthly Financial Report** for September 2021 from RS Meacham.

Dacia Phillips with RS Meacham: This financial report is for the first three months of the fiscal year. Your general fund is the first page. We want revenues to be at 25% or higher and expenditures at 25% or lower. Our total revenue year-to-date is \$564,388 or 31% of projected revenues so our revenues are coming in more than budget which we anticipated as we budget conservatively.

Most of the revenues, especially the more significant sources of revenues are at or exceed budget. Ambulance and Franchise Tax are both under budget. Franchise Tax can be explained because we have some that pay annually. Overall our revenues are up. Expenditures were at \$854,740 which is at 23% of budget or under budget for expenditures. General Government is over budget at 29%. This was caused by the \$15,000 we discussed earlier for the mold remediation at the Liberty Theater.

Police expenditures are up because we actually pay three months of the County Jail Contract at this time. Street & Alley expenditures are somewhat over budget, we did spend \$11,500 on poly carts.

After interest income and transfers we had brought in more than was spent by \$25,422.

The next item in the report is the Light and Water Fund. Keep the 25% of Budget in mind. For Electric Operating Income, which is direct electric revenue versus direct electric expenses, year-to-date we have an operating income of \$500,402 or 48% of budget. Of course, this is the warmer time of the year when we will see these greater numbers. Water Operation Income is \$112,241 at 72% of budget for operating income.

Sewer Operating Income is \$22,273 and Garbage Operating Income is \$58,489 which is better than projection. After Administrative Revenue and Expenses and the specific fees, transfers to General Fund and other funds, we have net income year to date at \$422,858. Of that \$422,858, \$98,593 are capital projects that will be pulled out and capitalized. This was non operating related. Basically, Operating Income is actually \$520,451.

There has been little activity in the Grant Funds so far this year.

In PWA there is income of \$90,547 which is only 4% of the budget because we have not yet received the bulk of our grant funds for a large project. We have expenditures of \$135,431. \$83,325 of that was to CEC Corporation for the Airport Project. After transfers in we have spent \$29,279 in excess of what we have received from the State.

In the Sales Tax Account, we have collections, of what we have seen is \$54,089 year-to-date or 30% of budget projections. Our expenditures are at \$22,070. After other transfers in and out, we have net income of \$21,433.

We received \$7,996 in the Street and Alley Fund, which is only 17% of budget, primarily because we have not collected as many miscellaneous revenue sources as we normally do. And then, for the Capital Outlay Project at Workman and A Street, we paid \$146,923. Year-to-date we have a net loss of \$141,383. But, we spent funds that were restricted for Street and Alley purposes.

And finally, the last page shows our sales tax trend or two year sales tax trend. And you can see it goes through the October deposit and this looks good. If we look at the first four months of this fiscal year, we have collected \$752,727.89. Last year, for the same four months we collected 701,244.34. So that's up \$51,483.55 or 7.34%, which is really good. Last year, we were barely making the projected 90% of sales tax. This is a good sign.

Use Tax of course, is not as predictable. But we collected \$92,385.57 the first four months of this year and last year, for the same time period, we collected \$73,884.31. So that is up \$18,501.26 or 25.04%. As you can see, most of that was in July.

Mayor Seitter commented, we hope no one else will be asking for tax refunds.

Mr. Jacks noted that there were no anomalies in the deposits as we had seen in the past. The State is taking \$10,000 per month off the top of Sales Tax and 25% of the Use Tax. We have nine more months left for the Sales Tax deduction and 24 more months for the Use Tax deduction.

Ms. Phillips added that the numbers we see are the amounts after the refunds are deducted by the State. We do not see the actual totals, just the amounts deposited to Watonga. We will figure those amounts in at the end of the year for liability accounting purposes.

Travis Bradt made the motion to approve the Financial Report from RS Meacham presented by Dacia Phillips for the month of September 2021. Lindsey Doyel seconded the motion.

Mayor Seitter, hearing no further comment, called for a vote:

T. Bradt aye   A. Cowan aye   L. Doyel aye   B. Seitter aye

Motion carried.

5. **Consideration, Discussion and Action:** To approve the recommendation of Mayor Bill Seitter to declare Saturday October 30, 2021 as “Trick or Treat Night”.

Mr. Bradt commented that the “Trunk or Treat” event at the Huff Lorang Park, put on by the Ministerial Alliance has become a very popular Halloween event.

Travis Bradt made the motion to approve Mayor Bill Seitter's recommendation to declare Saturday October 30, 2021 as “Trick or Treat Night” Motion was seconded by Allen Cowan. Mayor Seitter, hearing no further comment, called for a vote:  
T. Bradt aye    A. Cowan aye    L. Doyel aye    B. Seitter aye  
Motion carried.

6. **Consideration, Discussion and Action:** To approve a proposal for financial auditing with Jana A Walker CPA PLLC for the City of Watonga for Fiscal Year ending June 30, 2021.

There was some discussion about why FSW&B was not going to do the 2020 - 2021 Audit for Watonga. Ms. Phillips did have a letter from FSW&B stating that they would not be available to help us this year.

Ms. Phillips was recommending Jana A. Walker CPA PLLC from Woodward Oklahoma. Ms. Phillips read from Ms. Walker's lengthy Resume. She is well trained, qualified and experienced in non-profit and governmental audits. Her studies and degrees were listed, as were certificates, awards and some National recognition. There was also a list of recent clients that Ms. Walker has worked for.

Mayor Seitter thanked Ms. Phillips for finding a qualified Auditor for us giving the time frame we are dealing with. Will she be able to come to Watonga to present the Audit.

Ms. Phillips replied yes, and she should be able to make the December 31 deadline.

Mayor Seitter asked about Ms. Walker's company and working situations.

There was some discussion of miscommunications between Ms. Walker, Meacham and the City. Details were worked out.

Allen Cowan made the motion to approve a proposal for financial auditing with Jana A. Walker CPA PLLC for the City of Watonga for the Fiscal Year ending June 30, 2021

The fees from last year's audit were discussed. This year may be somewhat more.

The the charges for the Audit were discussed. After some research it was in the Contract with Ms. Walker that the fee including the Library would not exceed \$17,500.

There was lengthy discussion of what we paid last for last Year's audit with FSW&B and the Contract situation with FSW&B.

Allen Cowan amended his motion to approve a proposal with Jana A. Walker CPA PLLC for the City of Watonga for a Yellow Book Audit for Fiscal Year ending June 30, 2021 not to exceed \$17,500. Motion was seconded by Travis Bradt.

Mayor Seitter, hearing no further comment, called for a vote:

T. Bradt aye    A. Cowan aye    L. Doyel aye    B. Seitter aye

Motion carried.

7. **Consideration, Discussion and Action:** To declare surplus property the “temporary” office partitions located in the building at 410 W. Main Street, also known as the new City Hall and to solicit sealed bids to sell all the office partitions, associated tables and cabinets, in one lot, to the highest best bid. Bids to be opened and awarded at the next regular Council Meeting of November 16, 2021.

Ms. Little reported that we really do not need these partitions. We can open up that space and use it as a meeting room and or Council Room. We actually have 5 office spaces that we are not using at this time.

Travis Bradt made the motion to declare surplus property the “temporary” office partitions located in the building at 410 W. Main Street, also known as the new City Hall and to solicit sealed bids to sell all the office partitions, associated tables and cabinets, in one lot, to the highest best bid. Bids to be opened and awarded at the next regular Council Meeting of November 16, 2021. Motion was seconded by Lindsey Doyel.

Mayor Seitter asked how we intended to advertise this bid?

Ms. Little described how the ad might read and the details that need to be. Where we advertise will be everywhere and anywhere we can. Craigslist and eBay were mentioned.

Mayor Seitter, hearing no further comment, called for a vote:

T. Bradt aye    A. Cowan aye    L. Doyel aye    B. Seitter aye

Motion carried.

8. **Consideration, Discussion and Action:** To declare surplus property the heat and air conditioning remote control equipment consisting of nine (9) KMC Programmable Loop Controllers KMD-7302, one (1) KMC COM Talk KMD-5559 and one (1) US Robotics V.92 modem located in the building at 410 W. Main Street, also known as the new City Hall, and to solicit sealed bids to sell this equipment in one lot, to the highest best bid. Bids to be opened and awarded at the next regular Council Meeting of November 16, 2021.

City Clerk Bills commented these controllers new would have listed for about \$1,500 to \$2,000 each. Used, perhaps \$200 to \$300 each. In total, it will amount to something.

Mr. Bradt asked, what will happen to the heat and air when we remove these controllers?

Ms. Little reported that we are already working on that and have replaced some of this with more conventional programmable thermostats. To try and use the existing system would have required a software purchase of about \$22,000. What we are doing now is much less expensive and we can still opt for offsite monitoring and control if we need for \$80.00 per year or \$10.00 per thermostat.

Mr. Bradt asked, who might be a buyer for this equipment.

Mr. Bills replied, probably no one local. After we do the local required advertising, I will send a copy of the ad to the original company that had contracted with the State. They may decided to purchase the items.

Allen Cowan made the motion to declare surplus property the heat and air conditioning remote control equipment consisting of nine (9) KMC Programmable Loop Controllers KMD-7302, one (1) KMC COM Talk KMD-5559 and one (1) US Robotics V.92 modem located in the building at 410 W. Main Street, also known as the new City Hall, and to solicit sealed bids to sell this equipment in one lot, to the highest best bid. Bids to be opened and awarded at the next regular Council Meeting of November 16, 2021. Motion was seconded by Lindsey Doyel.

Mayor Seitter, hearing no further comment, called for a vote:

T. Bradt aye    A. Cowan aye    L. Doyel aye    B. Seitter aye

Motion carried.

#### 9. **Council Comments:**

Mr. Bradt; I would like to say, the City Employees did a great job with the Cheese Festival. And yes, there were a few minor hiccups but, that's okay. You can not hardly get through something like the Cheese Festival without a few minor problems. I was the Chamber President for a time and I know that doing the Cheese Festival is not easy. Our people did really good.

Several others agreed with Mr. Bradt.

Mr. Cowan asked, where are we at with hiring a Police Chief?

Ms. Little replied, I am doing a second round of interviews.

#### 10. **Mayor Comments:**

Mayor Seitter; In August we had a presentation from Randy Clark with the Oklahoma Water Resources Board. Have we looked into this report any further?

Ms. Little; Mr. Clark did a good job, but he was not aware of the Capital Improvements charge already on the utility billing. When this is calculated in, it works out to about where he was suggesting we needed to be. So, we have not tried to do anything more with this.

Mayor Seitter; We had talked at the Cheese Festival with Representative Mike Dobrinski about the stop light at 4 Corners.

Ms. Little; He is willing to meet with us, but he wanted to check his schedule. He indicated later this month or the first of next month we would schedule a meeting.

Mayor Seitter; We discussed last month about cleaning out some of the drainage ditches, has there been any progress.

Ms. Little; We have had equipment breakdowns and some of the ditches are not actually as dry as they appear sometimes. Park Supervisor Donnie Dunn and Street and Alley Supervisor Justin Woldridge are trying to come up with a solution. So far, the the only solution they have found is a used boom mower for about \$65,000. But there are some areas we just cannot get to.

Mayor Seitter; Previously I think we approved leasing a Gradall Excavator.

There was discussion about the different types of equipment. One is not a substitute for another. One is a complete unit, the other needs a tractor to be mounted to.

Mayor Seitter; Eventually we need to get the ditches cleaned out or we could run into flooding issues.

#### **11. City Manager Comments:**

Ms. Little; As Mr. Bradt mentioned, the Cheese Festival went really well. There was a lot of daily and overnight preparation work by our City Staff, we should appreciate them.

We are working on the purchase order system and getting this in line with what the Council has asked for. I hope you continue to see the improvements.

#### **12. Adjourn:**

Motion to adjourn was made by Allen Cowan and seconded by Lindsey Doyel.

Mayor Seitter, hearing no further comment, called for a vote:

T. Bradt aye    A. Cowan aye    L. Doyel aye    B. Seitter aye

Motion carried at 7:00 PM.

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Mayor Bill Seitter

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City Clerk, Verlen Bills