



**WATONGA CITY COUNCIL MEETING  
MINUTES FOR NOVEMBER 17, 2020**

*In accordance with the Oklahoma Open Meeting Law, this Agenda was posted November 13, 2020 Prior to 5:00 PM. at the Watonga City Hall, on the door of the City Clerk's office, located at 117 North Weigle, Watonga, Oklahoma.*

**The City Council of the City of Watonga did meet at 6:00 PM on Tuesday, November 17, 2020 in the Auditorium of Watonga City Hall, located at 117 North Weigle, Watonga, Oklahoma for a scheduled meeting.**

**Invocation & Pledge of Allegiance:**

**Council Present:** Travis Bradt, Ryan Bruner, Allen Cowan, Lindsey Doyel, Mina Green and Bill Seitter. Also present, Mayor Gary Olsen, City Manger Larry Mitchell, City Attorney Jared Harrison and City Clerk Verlen Bills. Julie Almaguer and Kendra Baker were absent.

**Declaration of a Quorum:** at 6:02 PM

**CONSENT AGENDA**

A. **Approve the Minutes** of the last Council Meeting held November 3, 2020.

Motion was made by Bill Seitter and seconded by Ryan Bruner to approve the Minutes from the last Council Meeting held November 3, 2020

Mayor Olsen called for a vote;

T. Bradt aye                      R. Bruner aye                      A. Cowan aye  
L. Doyel aye                      M. Green aye                      B. Seitter aye

Motion carried.

B. **Approve the Monthly Reports** from EMS, Fire Department, City Treasurer, Library and Watonga Police Department.

Motion to approve the Monthly Reports from EMS, Fire Department, City Treasurer, Library, and Watonga Police Department was made by Ryan Bruner and seconded by Travis Bradt.

Mayor Olsen called for a vote;

T. Bradt aye                      R. Bruner aye                      A. Cowan aye  
L. Doyel aye                      M. Green aye                      B. Seitter aye

Motion carried.

C. **Approve the Monthly Financial Report** for October, 2020 from RS Meacham.

Mr. Russ Meacham noted that the news is not all bad. I do want to point out a couple of things for you tonight on the Financial Report. We should be a 33 percent for the year. Our expenditures are staying below that point, and overall, our revenue, we are above that 33 percent. This is a positive.

I want to point out, just in the grand scheme of things, Sales tax overall year-to-date is down about 28 percent and Use tax is down about 54 percent from the prior year. For total dollars we are down about 32 percent on sales taxes. Now that I say that, we are still within what we had budgeted. That is the good news about the budget report.

We did receive some news today, and I will save Mr. Mitchell from having to be the bearer of the bad news this week. We are facing another charge-back from the Oklahoma Tax Commission. This time it is on Sales tax for about \$227,000. The Tax Commission is going to withhold \$10,000 a month for effectively the next 23 months. So, we will take another hit in our sales tax. It will be about \$60,000 of our total sales tax collections between now and the end of the year. That is not great news, but at least the Tax Commission spreads this out over time and does not just jump in and take it all at once.

Mr. Cowan asked what causes this.

Mr. Meacham; We did not do anything wrong. This is a situation where a company, most likely an oil and gas company, filed and overpaid their sales tax. And then, during the bad times, they go back and they start looking at why and where they overpaid. They realize they paid into the City of Watonga and probably should have paid into Blaine County, or somewhere else. So, they have gone back and filed for a refund and are now taking that money back. We have no control over this, we do not collect it, we do not do anything, we just get the letter from the Oklahoma Tax Commission that says somebody has applied for a refund, and they are being paid back. We did not do anything wrong. It is all on the businesses that originally reported incorrectly. Now they are wanting their money back.

One of the things that Tax Commission has done, and it is a recent change, it used to be a three year look back period. They have reduced that to a two year period that they go back on and file for a refund. But, \$227,000 is a big hit and this will be for the rest of this year and all of the next fiscal year, and then another six months after that.

Mr. Bruner asked, we were allowed a smaller amount with the other refund, do we have that option with this one?

Mr. Meacham explained, Use tax is a smaller amount of money to start with so it is limited by a percentage. With Sales tax it is usually just a flat amount, \$10,000 is normal.

Mr. Seitter asked, is it common for this to happen? We have two different funds with this at this time.

Mr. Meacham; It happens more often than you realize. We see it more when the Oil and Gas Industry is going through declining periods. Money is not free flowing and this is when these companies are really going after the extra monies. Watonga is not the only community this is happening too. There is at least one other community that I know, received a similar letter this month, although not quite as much. I do not know that is the same company. This is a common problem going around right now.

Mr. Meacham continued, that \$10,000 will come off the top line so as it gets distributed out between the City and the Hospital, the City will end up taking \$6,000 reduction and the Hospital will get about a \$4,000 reduction. The \$10,000 is not going to reduce our operations income by that full amount, but, it is still significant amount.

Mr. Meacham; I do have some good news, we have received about \$9,000 from the Cares Act money so far and that is mentioned in this month's report. There is another \$209,000 that should be deposit sometime in the month of November. We are going to get approximately \$200,000 that we did not know about when we started the budget process. We will lose some and gain some, and we will see what surprise is in store for us next month.

The other thing to mention is in the Light and Water Account, Water Expenses is well above the 33% as we have spent approximately \$200,000 of the \$260,000 for the waterline extension project to the Casino.

These are the items I needed to bring to your attention, everything else is as expected and not all the news is bad news.

Mr. Cowan asked, is Sales tax and Use tax down in other communities?

Mr. Meacham replied, it seems to vary by the areas of the State. Some parts of the State are not down as much as we are but some of these same areas did not do as well as we did about a year or two ago. All areas are down somewhere around 10%.

Motion to approve the Financial Report from RS Meacham present by Russ Meacham was made by Allen Cowan and seconded by Bill Seitter.

Mayor Olsen called for a vote;

T. Bradt aye	R. Bruner aye	A. Cowan aye
L. Doyel aye	M. Green aye	B. Seitter aye

Motion carried.

D. **Review and accept** the list of claims against the City of Watonga for the month of October, 2020.

Mr. Cowan asked about the roll-off expenditures for Street and Alley, is this for the tree and brush removal?

Mr. Mitchell replied, that is approximately half of that expense. There will be more of this expense showing on next month's report. Also, some of this expenses is for the digester cleaning project at the the wastewater treatment plant. There may be some of this on next month's report also.

Mr. Cowan noted, in the Police Department, to Tractor Supply, we show some sheep and goat products listed. It is a small value of approximately \$15.00.

Mr. Mitchell answered, it may be for animal control. That is the only thing I could guess it might be. We do not have any pets that I am aware of.

Mayor Olsen thought that there had been an incident involving goats in the road on about Second Street.

It was suggested that goats could be used for property cleanup.

Motion to accept the list of claims against the City of Watonga For the month of October was made by Allen Cowan and seconded by Ryan Bruner.

Mayor Olsen called for a vote;

T. Bradt aye                      R. Bruner aye                      A. Cowan aye

L. Doyel aye                      M. Green aye                      B. Seitter aye

Motion carried.

### **ACTION AGENDA**

1. **Consideration, Discussion and Communication:** From City Manger Larry Mitchell and Park Superintendent Donnie Dunn to waive the bid process for foundation repairs to the Huff Lorang Concession Building. There was only one contractor available to provide the needed service, and the work will be paid from the Park's Oil and Gas Funds. The estimate from American Leveling Company, Inc. is \$11,900. This is less than what is required to be bid.

Mr. Mitchell; I would like to have Mr. Dunn give the Council a brief history of the problem with the Concession Building at the Huff Lorang Park.

Mr. Dunn; I first noticed this problem in the Concession Stand walls about a year ago. In the last six months it has gotten worse. I discussed this with Mr. Mitchell and after looking it over, we agreed that we need someone to look at this problem before it gets worse. I called three different companies, one was a number no longer in service. Another company would not return my calls. This contract calls to install 14 piers and replacing the sidewalks that needs to be removed to install the piers. We may need to do some facade repair work ourselves afterwards.

Mr. Mitchell; The Council recently passed a new purchasing ordinance raising the bid minimum from \$7,500 to \$15,000. We did not necessarily need to bring this to Council, but I wanted to have it on the Agenda so that you would know about the improvements we are making to the Park Concession Building. And secondly, this is not a budget item. I wanted to bring this to Council attention also and let you know what we are planning to do. I think we need to move forward and have those corners anchored and make sure we do not lose any more of the integrity to the building.

Bill Seitter made a motion to agree to waive the bid process and award the contract to American Leveling Company at a cost of \$11,900. Motion was seconded by Travis Bradt.

Mayor Olsen called for a vote;

T. Bradt aye                      R. Bruner aye                      A. Cowan aye

L. Doyel aye                      M. Green aye                      B. Seitter aye

Motion Carried.

2. **Consideration, Discussion and Action:** To approve Resolution No. 2020-14, notifying the public of the publication of the Compilation and General Code Of Ordinances for the City of Watonga, Oklahoma, to be known as the “2020 Watonga City Code”.

Mr. Harrison; This is step number one for us to finally get done with the recodification that we have been working on for the last several months. This is just the notification portion that we will get published in the paper and filed with the County Clerk's Office.

And I will go ahead and discuss the next item, which is the actual ordinance that does the adoption of the updated code. We can see, just from the Table of Contents, that this is a lengthy document. I am more willing to share this with anyone, but the Official copy will be available in the City Clerk's Office.

Motion to approve Resolution No. 2020-14 to notify the public of the publication of the General Code of Ordinances for the City of Watonga was made by Allen Cowan and seconded by Lindsey Doyel.

Mayor Olsen called for a vote;

T. Bradt aye                      R. Bruner aye                      A. Cowan aye

L. Doyel aye                      M. Green aye                      B. Seitter aye

Motion Carried.

3. **Consideration, Discussion and Action:** To approve Ordinance No. 673 adopting a compilation and general code of ordinances for the City of Watonga, Oklahoma, to be known as the “2020 Watonga City Code”.

Mr. Mitchell; The City Clerk printed a hard-copy, which you can see in the binder on the table. We also have flash drives available if you'd like to have a copy for your Saturday evening reading enjoyment, and to think we are going to get to do this again in about three or four months.

Mr. Harrison noted that the next version will be minor update, in comparison.

Mr. Bruner asked, at some point, will this be able for viewing on our City's website?

Mr. Mitchell replied yes.

Motion to approve Ordinances No. 673 adopting the “2020 Watonga City Code” was made by Travis Bradt and seconded by Ryan Bruner.

Mayor Olsen called for a vote;

T. Bradt aye                      R. Bruner aye                      A. Cowan aye

L. Doyel aye                      M. Green aye                      B. Seitter aye

Motion carried.

4. **Consideration, Discussion and Action:** Resolution No. 2020-15 setting forth the procedure for the transition from the Aldermanic Form of Government to the Council-manager Form of Government.

Mr. Harrison; You will find that this is in line with what we discussed in our last meeting, setting forth the process and procedure. The one thing that I did change, thanks to all the questions at the last meeting - all of the positions are elected at large, all though the City Council Members are to be from their respected wards. I think that answers the question that Mr. Seitter brought up. The resolution was changed to reflect this. I want to make sure everyone is clear and understands this. With this change, it should match very closely to the memorandum we talked about at last month's meeting.

Bill Seitter made the motion to approve Resolution No. 2020-15 setting forth the procedure for the transition to Council-manager Form of Government. Motion was seconded by Allen Cowan.

Mayor Olsen called for a vote;

T. Bradt aye                      R. Bruner aye                      A. Cowan aye

L. Doyel aye                      M.. Green aye                      B. Seitter aye

Motion carried.

5. **Consideration, Discussion and Action:** To approve Watonga City Council Meeting Schedule A and continue with the practice of two(2) Council Meetings per month or to approve Schedule B with one(1) Council Meeting a month. (Schedules attached)

Mr. Cowan asked, this will take effect on the calendar year?

Mitchell replied yes, in January. This is usually done annually, you have to establish your dates for meetings and then we have to submit that to the State. And, we also attach is the list of holidays, which is the next agenda item.

So Schedule A is the regular two meetings a month. The other schedule (B) is recommending one meeting a month, and we are suggesting the third Tuesday of the month. This will allow us to get all of our financial information and all the reports done so that we can provide that to Council at that meeting, versus having a meeting earlier in the month.

Mr. Cowan asked of Mr. Harrison and Mr. Mitchell, with your experiences, what are the disadvantages of one meeting a month, considering that we are making this transaction in the form of government? Would we be making a mistake in stepping back to one meeting a month?

Mr. Harrison; I personally do not see what the major downside might be. As we talked last month, the question was asked about the roles of the Mayor and the Council and their responsibilities as we transition to the new form of government. We discussed then, most of the doing that will get done within the City is going to get pushed off to the City Manager. Why have the short Council meetings almost every other week, when most of the decisions are already getting made administratively? It seems excessive. At times, it might provide a little more oversight, a little more regular communication, but generally, what I have seen, the City Manager does a good job communicating with the Council on a regular basis. The one meeting a month is usually enough to take care of all the business in a timely manner, and get the information out that needs to get out. So, I do not see a huge downside to a single monthly meeting as we are making this transition.

Mr. Mitchell; I would say, the meetings might be a little longer at certain times of the year, around budget time or when renewing contracts and leases and other special agenda items. We can always call a special meeting if we have some sort of emergency. We will still have the ability to call a meeting in 48 hours if there is some real need. I do not see a lot of downside to this. It is just a matter of mechanics and a matter of process, what we are accustomed to and our preferences.

Mr. Seitter asked, there is not a list of reasons that you have to meet to call a special meeting, we can call a meeting for almost anything?

Mr. Mitchell replied yes, we can. Typically, it's for an emergency, a special major emergency purchase, or a broken waterline expense. But even if we have two meetings a month, we still had the ability to call a special meeting.

Mr. Bradt asked that this is still on Tuesdays?

Mr. Mitchell answered yes.

Mr. Seitter commented, this would also help our people, in that they would not have to make two agendas and two sets of minutes and all the other parts of a Council Meeting.

City Clerk Bills did agree with this.

Mr. Bradt noted that we will get our information in a more timely manner.

Mr. Mitchell agreed, that is our hope, but noted, the reason this one was late is that we are still dealing with some ice storm issues and there are some people out in quarantine and possible exposure to COVID. But, typically, we should be able to get all of our financial items done by the tenth or twelfth of the month the Council could have that information earlier.

Travis Bradt made the motion to approve Schedule B for a single Council Meeting per month for 2021. Motion was seconded by Bill Seitter.

Mayor Olsen called for a vote;

T. Bradt aye                      R. Bruner aye                      A. Cowan aye

L. Doyel aye                      M.. Green nay                      B. Seitter aye

Motion carried.

6. **Consideration, Discussion and Action:** To approve the City Employee's Holiday Calendar for the year 2021.

Mr. Mitchell; We did not add any holidays for next year. This is the same set of holidays that we have had in previous years.

Several commented that their birthdays fall on holidays. It was suggested that we allow extra holidays to compensate for the conflicts. City Employees would not mind.

Motion to approve the List of Holidays for the City of Watonga was made by Ryan Bruner and seconded by Lindsey Doyel.

Mayor Olsen called for a vote;

T. Bradt aye                      R. Bruner aye                      A. Cowan aye

L. Doyel aye                      M.. Green aye                      B. Seitter aye

Motion carried.

7. **Council Comments:**

Mr. Bruner noted that our web site does not give any information about who to contact during a power outage.

Mayor Olsen responded, generally we call the Sheriff's Office and they will get in contact with Light and Water Superintendent Warren Rice.

Mr. Bruner and others thought that we might post this on our web site.

Mr. Mitchell commented, we had several people calling us requesting that we call them back when their power was restored. They were out of town, and I guess they wanted to make sure that their power was back on when they return. I thought that was interesting.

Mr. Cowan; The tree and brush cleanup has been remarkable. I hope you will express that to all the people involved, I know that there are a lot more people involved than just a small group.

Mr. Mitchell; I think we mentioned this before, all the Departments pitched in whether it was their job or not. During the ice storm, whether it was a cleanup, whether it was emergency response, all the Departments pitched in. There was no one saying, "that's not my job or that's not my department". We had a group of very hard working people out there.

Mr. Cowan asked where we are at with cleanup.

Mr. Mitchell thought we were about half way done.

Mr. Cowan noted, small communities can react so much faster than the large cities. It is one of the advantages of a small town.

Mayor Olsen added, just to comment on that, I went to the VA Hospital yesterday in OKC. The area around the VA Hospital looked like a war-zone with all the trees and debris that has not been cleaned up.

Mr. Cowan asked what was the City doing in light of the Governor's new mandates for State Employees concerning the Corona Virus?

Mr. Mitchell answered that we have posted notices on the entrances to City Hall that masks are required to enter. Other than that, we are following CDC guidelines. If the Council wants to consider a mask mandate, the Mayor could call a special meeting, but at this time, we are staying cautious and following guidelines.

#### 8. **Mayor Comments:**

Mayor Olsen; I want to thank the Street and Alley Department and everybody else who was involved, including the Fire Department for picking up the limbs and put them out on the curbs. Everyone is helping out, there is a long way to go, but we will get there.

Thanks to the Police Department and the Fire Department for the parade they gave for the benefit of the Veterans, and also for the Watonga Track Team escort the other day. I just really want to thank-you to these people for their effort and their time.

#### 9. **City Manager Comments:**

OMPA Cost of Service Study dated October 2020.

Mr. Mitchell; In your packet there was the OMPA Cost of Service Study for this year. The only highlight I would note is that there were many cities that got a reduction or just a slight reduction in their Transmission Demand Rate Charge. Watonga's went up slightly, about .26%. I think the highest city was up .66%. I can not explain how those are calculated, but I have the full report if in my Office if you would like to come in and review how those numbers are calculated. I may be making the wrong assumption here, but I'm guessing that part of the reason for our increases is that we have fewer customers. That is part of the reason for the increase in this charge. Mr. Meacham may have another observation here. But, at this point, I just wanted it to provide you with this summary. I would say that it is very stable at only .26% of change when 1% change might be considered a nominal change.

Mr. Mitchell continued, all of our Public Safety Personnel met with members from the Casino Group. We discussed their plans for opening the Casino on or about December 20. They reported that the Hotel probably would not be ready to open until the first part of March. We also had a long discussion about providing Public Safety services to the project and talked about executing a cross democratization agreement with the Casino Group. Their attorney, who was present at the meeting, said that they would be presenting that agreement to us. It has been a week and we have not seen anything yet. We discussed the terms and conditions of providing utilities to the project and the compensation that we would receive from the Tribes. And, I think we will have a much longer and more thorough discussion of those issues at our next council meeting. You might think about your questions and what you would like to discuss at the meeting coming up on December 1.

Mr. Cowan asked if Red Hawk construction was moving forward with the waterline?

Mr. Mitchell replied yes, and they have steel up, if you have not been by the site. It is hard to see around the hotel construction.

The other thing I do need to mention, it has been reported that the County road there would be closed for about 10 days to two weeks. They are going to do some improvements to that road from the State Highway back east to the railroad right away.

Mr. Cowan asked if there was a date for the road closing.

Mr. Mitchell replied, they did not give us a specific date, but I would guess between now and the end of the month.

Mr. Bradt noted that this will depend on the County Commissioner.

Mr. Mitchell; The other thing I would mention is an update for the waterline. Indications are, the Contractor has been able to pull the casing under the road right-of-away. We think that we will have water service to the Casino within the next couple of weeks or by the end of the month. But the Contractor has been fighting with high water table issues. I went down there a couple days back, I think you could float a kayak down the easement. The Contractor has been pumping water out of there for some time and he finally got enough water out so that he could stabilize the grade and do this casing. I think we are in really good shape there.

I have to commend this Contractor. When we signed that contract with him, some of the references were good but a few were not. But, I can tell you they did an outstanding job with this waterline project given the situation and the conditions they had to work with, the high water table. I do not know how much water they pumped from the easement, but they pumped water for a month, maybe six weeks to get it down.

10. **Adjourn;**

Motion to adjourn was made by Ryan Bruner and seconded by Lindsey Doyel.

Mayor Olsen called for a vote;

T. Bradt aye            R. Bruner aye            A. Cowan aye

L. Doyel aye            M. Green aye            B. Seitter aye

Motion carried at 6:39 PM

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Mayor Gary Olsen

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City Clerk, Verlen Bills

**NOTICE:**

As of November 15, 2020 Open Meeting Regulations are back in full effect. At least five (5) Council Members must be present in order for the Mayor to declare a quorum. Others may attend by teleconference if need be. Please allow the City Clerk's Office 24 hours notice at 580 623 4669.