

CITY OF SULPHUR  
REGULAR COUNCIL MEETING  
PROCEEDINGS OF GOVERNING BOARD  
MONDAY, FEBRUARY 12, 2024

HELD AT THE

CITY COMPLEX  
600 WEST BROADWAY  
SULPHUR, OKLAHOMA

Notices were posted at the Sulphur City Complex, the Mary E. Parker Memorial Library and the Murray County Courthouse.

The Regular Council Meeting was called to order at 6:00 P.M. by Alan McKay, Vice-Mayor.

BOARD MEMBERS PRESENT:

Alan McKay, Ward 1  
Derrick Stone, Ward 2  
Darrell Cole, Ward 3, Absent  
Ryan Peters, Ward 4  
Dan Gordon, Ward 5

ALSO PRESENT:

Andy Freeman, City Manager  
Shannon Couch, City Clerk  
Ginger Cornell, City Treasurer  
Les Wesberry, Jr., City Attorney

OTHERS PRESENT:

Misty Treptow, LaQuita Dayton, Gary Mensch, Alie Stone, Natalie Shillington, Danna Kay Bernardi, Cheri L. Bellefeuille-Gordon, Kari' Whitehead, Jimmy Mullins, Tara Mullins, Jay Mensch, Lory Runyan, Bear Runyan, Mercy Szalaj, Liz Crews, Mike Crews, Robert Clark, Mark Masoner, Christy Babb and Brian McDaniel.

The Invocation was given by Alan McKay.

The Pledge of Allegiance was led by Ryan Peters.

CORRESPONDENCE & UPDATES:

Andy Freeman stated we are trying to determine when the last time the City's committees and boards met. Andy Freeman stated he spoke with Mr. Wesberry and we will likely have to bring

each board as an agenda item for the Council to determine if they want to appoint someone to the Board or not. Les Wesberry stated the way it is written there is carry over from committee to another. Les Wesberry stated the Council will have to decide how to form them up using chairs and committees that do not exist. Les Wesberry stated there are multiple committees that have to be formed to even form the Board of Adjustments. Andy Freeman stated we are working on that. Andy Freeman stated we have some variance requests that we will need to address. Andy Freeman stated Arthur Earsom is building an airplane hanger near our airport and is asking the city to grant a through the fence agreement. Andy Freeman stated the Federal Aviation Administration (FAA) allows these types of agreements, but we will have to go through the steps for approval. Andy Freeman stated there is no expense to the City of Sulphur and he will pay an annual fee for this agreement. Andy Freeman stated we are working out the details for this agreement. Andy Freeman stated Myers Engineering is working on the fix to the airport fuel farm issues and will be hiring that work done at their expense. Andy Freeman stated the appraisal for the property purchased by the airport is complete. Andy Freeman stated he had some questions on it and he is waiting on a call back. Andy Freeman stated we will submit the appraisal to FAA for reimbursement. Alan McKay asked if they gave him an appraisal. Andy Freeman replied yes, but he had some questions about it. Andy Freeman stated the land could be used as an airport later down the road and he is unsure if they appraised it for that or not. Andy Freeman stated we are still waiting on the new airport beacon to come in so they can send the broken one back. Andy Freeman stated Rock Fish was here Friday and scanned a new property and rescanned a property because they had some technical difficulties for the OWRB/Chickasaw Nation Project. Andy Freeman stated once the scans are done, they will give us a report withing 17 days. Andy Freeman stated the OWRB meeting is February 20<sup>th</sup> and the Council packet includes the changes being presented to OWRB for reducing the project funding from \$11.6 million or \$10 million. Andy Freeman stated the invoice for the City's portion of the OK Tap Sidewalk Grant is on the agenda for approval. Andy Freeman stated the personnel policy and the leave accrual fix is on the agenda and the auditor will discuss. Andy Freeman stated Municipal Code Management was to have our Ordinances on their website and to the printer within weeks, but apparently the staff working on it had surgery and the work is not complete. Andy Freeman stated he has a call in to them to check the status. Andy Freeman stated they are supposed to bring three books to the City and one to the County Law Library. Alan McKay stated then it will come back before Council. Andy Freeman asked the City Attorney if that is correct. Les Wesberry replied yes. Andy Freeman stated we have had two employees graduating from Cleet next week and have two in a BPOC academy. Andy Freeman stated we have job openings in the police department, street department and the rest are in SMA. Andy Freeman stated he is working on the rebidding the roof projects, but is having computer issues and the IT staff is working on retrieving the document.

PUBLIC/CITIZEN PARTICIPATION:

Sulphur Chamber of Commerce Director, Misty Treptow, updated the Council on the upcoming events for February occurring in our community. Tara Mullins stated since Mr. Cole is not present, she will not be talking about everything she needs to address. Tara Mullins stated at the last meeting Linda Hurst applauded certain people. Tara Mullins stated her husband, Phil Hurst,

was the City Attorney for years that has set our town up for a huge lawsuit for not codifying all the codes and illegal donations to organizations like the Chamber of Commerce. Tara Mullins wanted to know why the City has not done anything in regard to Mr. Hurst's poor job as our City Attorney in the past. Tara Mullins suggested that the people she mentioned were protecting her and her husband which is why they were applauded. Tara Mullins stated the Council voted to become a Chamber member and pay a yearly membership. Tara Mullins stated since the Chamber was illegally given \$10,000 per year for decades, as a citizen, she felt the Chamber should give the City free membership until the amount of illegal donations is recouped. Tara Mullins discussed tourism, stated towns like Sulphur do not depend on the Chambers to draw people. Tara Mullins discussed Pauls Valley's tourism efforts. Tara Mullins stated Sulphur needs to start focusing on tourism and the people we draw here do not travel by planes. Tara Mullins stated the City needed to stop focusing on the airport and focus on the demographic that actually travels here. Tara Mullins stated most people come here for boating. Tara Mullins stated we need to focus on family and quality of life for all and not just a few. Tara Mullins stated her other issue is in regard to the audit and email correspondence with Andy. Tara Mullins stated the only way to clear this up is to discuss it with the auditor, the Vice-Mayor and Andy after the meeting. Tara Mullins stated she feels she is being lied to and she would like to know the truth in this matter.

Derrick Stone requested Item 8 be discussed before the Consent Agenda as some of the items may be affected by the audit update and since the auditor has a long drive back.

Motion was made by Derrick Stone to move Item 8 on the Agenda before the Consent Agenda. Seconded by Dan Gordon.

Alan McKay, Derrick Stone, Ryan Peters and Dan Gordon each voted aye. Darrell Cole was absent.

The council moved to Item 8.

DISCUSSION AND POSSIBLE ACTION ON UPDATE OF LETTER OF GOVERNANCE FOR FY 2023 AUDIT AS PRESENTED BY MICHAEL GREEN, CPA:

Jack Roye with Michael Green, CPA, explained why the letter is being issued. Jack Roye stated there has been a change in the standards and we have always communicated this information, but in the past has been communicated at the end of the audit. Jack Roye stated the new audits standards that they participate with tell us that if significant issues come up during the audit or if they identify potential risks to the misstatement of the audit that we go ahead and communicate that during the audit. Jack Roye stated he is actually drafting a lot of these letters and it is not just Sulphur. Jack Roye stated the first part of the letter identifies the first two risks: 1) the management override of internal controls and 2) improper management recognition are risks that give to us for every audit they do. Jack Roye stated as they went through the planning, they reviewed documentation, look at numbers, read minutes, interviews with staff, management and

some board members, etc. Jack Roye stated we try to interview different people during the auditing years. Jack Roye stated the first one on the list was the airport fund and that has been an issue in the last three audits. Jack Roye stated the airport fund was not used before but is statutorily required. Jack Roye stated he does not anticipate there being an issue once that information is pulled out. Jack Roye stated in visiting with Shannon and talking with Incode they think they can pull that information into the Airport Fund. Jack Roye stated but every year the City budgets money to pay for the airport activities. Jack Roye stated you take in some revenues but have to use City funds to pay the rest. Jack Roye stated he does not anticipate there being an issue with the fund balance and a considerable amount of time discussing it. Jack Royes stated once this fund gets pulled out that finding will go away. Jack Roye stated the second finding is the codification of Ordinances and strictly from a financial statement impact we wanted to know if the City felt it had a liability. Jack Roye stated he feels that question has been answered and they have received an opinion letter on that finding. Jack Roye stated they have to look at the realm of whether it is material to the financial statement. Jack Roye stated they did that a few years ago with the compensated absences. Jack Roye stated that was material and they worked with the City and it was quantified and added to the books. Jack Roye stated they do not really see where this is a material impact or at least it has not been shown to us and they do not anticipate a modification due to that risk. Jack Roye stated in other words that finding was resolved. Jack Roye stated related party transactions came up during some of the interviews and they got the documentation and found no related party transactions. Jack Roye stated that risk has been dealt with and is not a risk any more. Jack Roye skipped to the investigation of an open meetings act violation. Jack Roye stated they strictly looked at that from a financial statement impact. Jack Roye all they were able to do was verify with the Attorney General's Office that there had been an inquiry. Jack Roye stated in visiting with management and looking at records we did not find any major contracts that were awarded that may have been in violation. Jack Roye stated we do not see a material impact to the financial statements because of that risk. Jack Roye stated that left us with compensated absences and payroll and some issues around payroll in general. Jack Roye in part of our planning we ask about previous years findings and since compensated absences was not perfected that automatically makes payroll a higher risk audit area. Jack Roye stated for that reason we would have to do additional work and documentation. Jack Roye stated in interviews it came up about the former police chief that left and it was discussed with City staff and the City Attorney. Jack Roye stated the policy seems to give a little leeway to the City Manager to handle those type of situations but is not super clear. Jack Roye stated he has shared with Council and staff in the past the policy manual is difficult at best. Jack Roye stated as far as did he have leave, no he did not, but was paid. Jack Roye stated it is not a material transaction and we looked at it. Jack Roye stated Council can visit with the City Attorney in private about direct personnel issues. Jack Roye stated the other finding is an issue with overtime. Jack Roye stated the personnel policy is pretty direct, but the way the City has paid it in the past does not follow the policy. Jack Roye stated he realizes there is a reason why and he understands it but as he explained to staff the policy is all they have to audit by is the policy unless it is in violation with State or Federal law. Jack Roye stated they did not find any parts of the policy that contradict Federal Labor Laws, but those are minimum standard. Jack Roye stated he did a little testing and discussed what he found

with management. Jack Roye asked that the City Clerk take the paper timesheets and calculate the difference in overtime because we do not now know if it is material. Jack Roye stated they have shared with management in the past that the City needs to move to a computerized system and this is part of that. Jack Roye stated when this task is complete, we will look at compensated absences in total that were paid in excess and the payroll overtime that was paid in excess and if those figures combined is material, there will be a modification on the audit report. Jack Roye stated there is not really a way to correct that. Jack Roye stated typically there is a range and there is a materiality in play. Jack Roye stated with a way to correct that, if it is material then the City's financial statements will not be stated fairly. Jack Roye stated they will not know the answer to that which is why he wanted to discuss this update in person. Jack Roye stated these letters kind of freak people out. Jack Roye stated these are not brand-new things that pop up, these come up regularly. Jack Roye stated we document risks during the audit, what is new is they are told now to communicate any substantial risk that might impact the financial statements during the audit. Jack Roye stated they cannot finish the audit until the overtime is quantified. Alan McKay stated we were told on numerous occasions to get the information on a computer program and to get it off spreadsheets. Jack Roye stated those are only recommendations and they will be in this audit as well. Jack Roye stated it makes it easier to audit and follow. Alan McKay stated it will make it easier on staff. Jack Roye stated he has shared with Shannon that the transition to learn a new program might be a headache, but it will help in the long run. Jack Roye stated but it is not mandatory, there is nothing in the law that says you have to use a computer, but to provide the audit trail and strengthen internal controls. Jack Roye stated there are other ways to strengthen internal controls, such as having others review and approve it for example. Jack Roye stated currently the controls, the controls being the policy and following the policy to the letter is where the control issue is. Jack Roye stated he has also shared in the past that the policy is cumbersome, contradictory in places, issues with the Fire Department Contract and policy, etc. Jack Roye stated he highly recommends the policy be addressed. Alan McKay stated the personnel policy needs to be revamped. Alan McKay proceeded to the Consent Agenda. Shannon Couch asked if there is a reason for them to approve the update. Jack Roye stated it is presented as an amendment to the contract for specific reasons because it is modifying the language of that section. Jack Roye stated we present it way not necessarily for approval, but he thinks it appropriate to approve it as a contract amendment. Jack Roye stated whether it is modified or not it is still a risk. Derrick Stone asked with the risk in mind how do we move forward with payroll, purchase orders, etc. Jack Roye stated he can discuss it generally. Jack Roye stated if he was in their place on the Board, he would want to review the purchase orders and ask questions. Jack Roye stated many meetings discuss the purchase orders but whatever process Council works out. Jack Roye stated even with approving payroll or anything on the Consent Agenda he would review it if he were sitting on the Board before approving it. Jack Roye stated he would recommend using the City Attorney because that is what he is hired for and get his opinion in writing. Jack Roye stated if there are questions, address them with your attorney. Jack Roye stated he does not want to cause unease, but we have to communicate and there is an issue there. Jack Roye stated if they are uncomfortable, he would suggest asking questions and reviewing until you are. Andy Freeman stated regarding the payroll, when he brought it up in discussions, we made the decision to change the way we do it with the next

payroll. Andy Freeman stated we have changed from what we understand from Federal and State Law and our personnel policy to say. Derrick Stone stated the letter says payroll testing is still ongoing. Jack Roye stated we have concluded our initial test and what we are looking for is for the City to quantify the difference between how payroll was calculated and how it should have been paid per policy. Jack Roye stated if the difference is material, then that would result in a modified opinion in the audit. Andy Freeman stated we did not change anything to get to there. Andy Freeman stated this is how the City has calculated payroll for several years. Alan McKay asked who taught her to do it that way. Shannon Couch stated there was two clerks before her. Alan McKay asked who that was. Shannon Couch stated the two clerks that were here when she hired on was Jo Helen and LeeAnn. Alan McKay stated they are the ones who trained you this way. Shannon Couch replied that is the way we have always done it; the past audits do not reflect this issue. Shannon Couch stated once we were made aware we took measures to correct. Jack Roye stated in the internal control letters from the past three audits and in their engagement letter where it discusses internal controls, we are doing it to government auditing standards which is a high-level sweep. Jack Roye stated what our opinion in your audit is on your financial statements. Jack Roye stated internal control letters will be reviewed to see if state statutes have been followed, such as the airport fund, etc., but their tests are not designed to catch everything. Jack Roye stated one of the first things Shannon asked was why we did not catch this before. Jack Roye stated payroll was not a high-risk element. Jack Roye stated they did two years of auditing that were late and then the FY 22 audit with a short window to fix FY 22. Jack Roye stated it was not really a high risk in 2022 because she did not have an opportunity to fix it. Jack Roye stated that is why they did more test work because the risk was elevated from previous years with compensated absences. Jack Roye stated he believes from looking at other paperwork, nothing changes recently and this has been ongoing at least for the four years they have audited. Jack Roye stated they did not have copies of all the time sheets, but it is certainly been the way the City has done it a long time. Derrick Stone began to speak, but a distraction occurred between members of the audience. The Police Chief reiterated that if the disruption of the meeting continued, the parties involved would be asked to leave. Derrick Stone asked if we budgeted last year for computer software. Andy Freeman asked for leave software. Alan McKay stated we discussed getting compensated absences, etc. on the computer. Andy Freeman stated we have payroll software, but clarified that the software the auditor is suggesting will keep track of the leave. Jack Roye replied yes, compensated absences is hard to sort. Andy Freeman stated our compensated absences will be fixed by June 30<sup>th</sup> of this year. Andy Freeman stated our payroll software will track leave, but until we get the leave compliant it will be difficult to enter all the parameters entered. Andy Freeman stated we have been in discussion with Incode on moving forward with that.

Motion was made by Derrick Stone to accept the update as presented.

Seconded by Ryan Peters.

Alan McKay, Derrick Stone, Ryan Peters and Dan Gordon each voted aye. Darrell Cole was absent.

Motion carried by vote.

The Council returned to the Consent Agenda items.

CONSENT AGENDA:

- A. DISCUSSION AND POSSIBLE ACTION ON THE MINUTES OF THE JANUARY 8, 2024 REGULAR COUNCIL MEETING:
- B. DISCUSSION AND POSSIBLE ACTION ON PURCHASE ORDERS AS ITEMIZED ON THE CLAIMS LIST:
- C. DISCUSSION AND POSSIBLE ACTION ON THE TREASURER'S REPORTS:
- D. DISCUSSION AND POSSIBLE ACTION ON THE CLERK'S COLLECTION AND BUDGET REPORTS:
- E. DISCUSSION AND POSSIBLE ACTION ON PAYROLL IN THE AMOUNT OF \$178,213.25 FOR JANUARY 2024 AND IN THE APPROXIMATE AMOUNT OF \$155,500.00 FOR MARCH 2024:
- F. DISCUSSION AND POSSIBLE ACTION ON PAYMENT TO FIRSTNET A BRANCH OF AT&T FOR CELL PHONE SERVICE IN AN AMOUNT NOT TO EXCEED \$900.00:
- G. DISCUSSION AND POSSIBLE ACTION ON PAYMENT TO FINISH LINE FUELS FOR FUEL EXPENSES FOR FEBRUARY IN AN AMOUNT NOT TO EXCEED \$15,000.00:
- H. DISCUSSION AND POSSIBLE ACTION ON PAYMENT TO PREMIER TRUCK GROUP FOR FIRE TRUCK REAR END SEAL REPAIR IN THE AMOUNT OF \$1,150.38:
- I. DISCUSSION AND POSSIBLE ACTION ON FY 23-24 BUDGET AMENDMENTS:

Motion was made by Derrick Stone to pull Item B, C and E from the Consent Agenda.  
Seconded by Ryan Peters.

Alan McKay, Derrick Stone, Ryan Peters and Dan Gordon each voted aye. Darrell Cole was absent.

Motion carried by vote.

Motion was made by Derrick Stone to approve Items A, D, F, G, H and I on the Consent Agenda as presented.

Seconded by Dan Gordon.

Alan McKay, Derrick Stone, Ryan Peters and Dan Gordon each voted aye. Darrell Cole was absent.

Motion carried by vote.

Alan McKay presented Item B for discussion. Derrick Stone asked about the large claim at the beginning of the Claim List and requested an itemized list. Shannon Couch asked if he was referring to the Burrage Law Firm invoice. Derrick Stone replied yes. Shannon Couch stated that is actually two months combined and presented Derrick Stone with the purchase order and invoice as requested. Derrick Stone reviewed the invoices and asked if there were four Council meetings in December. Les Wesberry stated he did not believe so. Derrick Stone stated the dates of the meetings listed. Les Wesberry stated there was the regular meeting and a special meeting. Les Wesberry stated there were also meetings that were not Council meetings. Les Wesberry stated when we discuss topics or items that cannot be disclosed in an open meeting, he does not put details on the invoice. Derrick Stone stated the Special meeting we had to have to approve the City Attorney contract that was missed during the Regular meeting, cost the City \$1,000. Derrick Stone stated he has a hard time understanding how that was missed for the Regular meeting. Derrick Stone stated if his contract was coming due, he thinks he would have remembered it. Derrick Stone stated he thinks that is costly for something that should have happened during the Regular meeting. Les Wesberry stated if he remembers correctly, his contract did not start until February and it was not a 12-month contract therefore resulting in an oversight as we thought we had until February to renew it. Andy Freeman stated when we realized it, we had a lot of topics that we needed him and did not want to get to the end of the month and not have an attorney. Les Wesberry stated if he is not mistaken, we met before the meeting. Andy Freeman stated we met a lot lately. Derrick Stone asked if he has a minimum charge for phone calls. Les Wesberry stated no, he does not do half hours. Les Wesberry stated what is standard in legal practice is you charge by tenth hour, so every 6 minutes. Les Wesberry asked if there were any questions he could answer about his invoice. Derrick Stone replied he has asked all of his questions. Derrick Stone stated he realizes it was an oversight, but it is a costly oversight. Les Wesberry stated if he would like he could credit for this month for that Special meeting. Derrick Stone stated that is up to him, he is not going to ask for a credit. Derrick Stone stated he just felt it was costly. Derrick Stone requested the purchase orders be inserted in the Council packets. Andy Freeman stated all of them. Derrick Stone stated sure. Andy Freeman stated Council is welcome anytime to come look at them. Derrick Stone asked if he requested a copy, he could get that. Andy Freeman replied yes. Shannon Couch stated years ago the Council appointed two members of the Council to review the claims prior to the meeting and report to other members that they had been reviewed and what they found. Alan McKay stated the County Commissioners review every one of them. Andy Freeman stated they are available any time you want to see them. Les Wesberry stated you will just need to be sure you are not meeting as a group and discussing them. Andy Freeman stated he has invited Council down many times to review, discuss, ask questions, etc.

Motion was made by Derrick Stone to approve Item B on the Consent Agenda as presented.  
Seconded by Dan Gordon.



Shannon Couch began to call for vote. Alan McKay stated he had one comment. Alan McKay stated to kill the Council's liability, would the City Attorney be willing to give the Council a "good faith" letter from here on out to approve anything with money until we get this corrected. Les Wesberry stated do you mean a letter regarding all financial liability for the City. Alan McKay stated no, for each Council member for voting for what is on the agenda. Alan McKay stated a harmless, "good faith" letter from you. Les Wesberry stated you have to be willing to allow him to spend the time to get into the City business and go through every purchase order to then render a legal opinion for each one of you individually. Alan McKay asked if he is saying he will not give a "good faith" letter to anybody up here to approve the budget and stuff the way they are. Les Wesberry stated no, that is not what he is saying. Les Wesberry stated that would call for a legal opinion on individual liability which is not necessarily within his scope of responsibilities. Les Wesberry stated if he did it, it would take maybe 40 to 80 hours to go through every single aspect of the purchase orders to determine if there is any liability. Les Wesberry stated it is honestly outside of his scope of competency to look at financial documents and determine whether you are potentially individually liable for approving it. Alan McKay stated you are the City Attorney and you are saying what they have on these documents is right. Les Wesberry stated under that hypothetical you are saying that, yes. Alan McKay stated it's not hypothetical if everything they vote on, they are liable for. Les Wesberry stated there is a liability on the City perhaps on approving a purchase order that may be violating a law or there might be something wrong that brings an individual action brought against the City or it deals with employment or contractor law that may result in a claim. Les Wesberry stated there are so many different avenues that he is not sure you could get anyone to write you as a City Councilmember a letter that says approve these. Les Wesberry stated to be honest and frank, that is your responsibility. Alan McKay asked how it was his, because the Council is sitting here approving the figures they put up. Les Wesberry stated he does not mean any offense; he is just saying it is the elected official's responsibility to review the business of the City and approve it. Alan McKay stated there is a motion and a second. Andy Freeman asked if there is something that you think we are doing wrong, illegal, or do you think we are stealing money or laundering money. Alan McKay stated he did not say any of that, but he sat right there and told us what we have been doing wrong since December 2022. Alan McKay stated and it is still not fixed. Andy Freeman which part are you talking about. Alan McKay stated compensation and the whole nine yards. Andy Freeman stated the compensated absences he agrees, because we are trying to figure that out. Andy Freeman stated we are trying to get an attorney that will help us to do that. Andy Freeman stated one thing with audits, when we find a problem, we should have a chance to fix the issues. Andy Freeman stated he understands there are things that are not fixed from the last audit, but there were some things that went on that prevented us from getting them fixed in a timely manner before the end of the year. Derrick Stone asked if it was the attorney's opinion that the Council will not be held accountable for approving financial and what not. Derrick Stone stated with payroll testing still going on, will they be held responsible for their yes vote if something is found in the testing. Derrick Stone stated or are we acting in "good faith" so to speak. Les Wesberry stated it is broadcast now on a potential liability built on a hypothetical if something could be wrong depending on what he finds in the future. Derrick Stone stated until

the testing is done he cannot give an accurate opinion. Les Wesberry stated yes, that is why the letter is put in place to let us know what the liabilities could be if material. Les Wesberry stated you individually, there is a certain qualified immunity in which elected officials have. Les Wesberry stated to a certain extent that disappears once you have individual knowledge of certain things and you approve or continue to do those things. Les Wesberry stated for him to say there is or is not something certain there, he does not know. Les Wesberry stated what the Council has in front of you right now is what he knows. Les Wesberry stated outside of some other potential liabilities which we would not discuss in open meeting. Derrick Stone stated so without discussing it in open meeting, we cannot be held liable. Les Wesberry stated no, that is not what he is saying. Derrick Stone qualified immunity, if we do not know about it. Les Wesberry stated he said there may be certain qualified immunity for certain acts, but he is not going to render a legal opinion for each one of you looking at this if there is any potential that you may become liable if someone brings a lawsuit because he does not know what that lawsuit, claim or underlying basis of whatever the claim could be. Les Wesberry stated he is not going to tell you whatever you do there is no liability. Les Wesberry stated he does not see anything where he thinks the Council would be held individually liable. Ryan Peters stated what we are voting on is what is in front of us that is brought by staff. Ryan Peters stated he would hope that would not leave us liable for it because we are going by what staff brought us. Alan McKay stated Wynnewood assumed that too and you see where they are at. Ryan Peters stated what we are voting on our numbers associated with the purchase orders brought before us. Jack Roye addressed Mr. McKay in general guidance, he would want to hear from the Treasurer first to see if the money is available, is the fund balance going to be deficit because those are the things that are going to trip you up. Alan McKay stated his next item was to pull her item out because it does not belong in a Consent Agenda anyway. Jack Roye stated as long as the purchase orders themselves, as long as they are processed properly and the funds are available, are the kinds of things he would want to know before he voted to spend the money. Jack Roye stated you have a very qualified Treasurer and are very fortunate to have a CPA on board. Jack Roye stated unless they have slipped something in weird and he does not know what is going through his mind, but the first thing he would want to know is if the funds are available. Ryan Peters asked if this outside of the budget. Andy Freeman replied no. Ryan Peters asked if we already voted on the budget with this money in there right Ginger. Ginger Cornell stated she has figured the income and expenditures and we would really like to see 58% would be our earmark of what we wanted. Ginger Cornell stated our collections are like 71% in General. Ginger Cornell stated if you would look at each line item in each department, she would be concerned about any that are over 58% and there are some. Ginger Cornell stated our total budget spent in General is 47%, but there are some fluctuations included because we moved the public works director and utility clerk to general fund and Andy and Shannon's salaries have been moved to SMA. Ginger Cornell stated due to the ordinances and not being able to collect the funds, the \$100,000 transfer will not be able to be made this year. Ginger Cornell stated that will have to be adjusted from that 71%, so our projections would be \$100,00 less than what we projected to budget. Ginger Cornell stated as far as clearing the purchase orders they will clear. Ryan Peters stated the money is available for purchase orders. Ginger Cornell replied yes. Alan McKay stated we have a motion. Les Wesberry replied and a second. Alan McKay called for vote.

Alan McKay, Derrick Stone, Ryan Peters and Dan Gordon each voted aye. Darrell Cole was absent.

Motion carried by vote.

Motion was made by Derrick Stone to approve Item C on the Consent Agenda as presented.  
Seconded by Ryan Peters.

Alan McKay, Derrick Stone, Ryan Peters and Dan Gordon each voted aye. Darrell Cole was absent.

Motion carried by vote.

Derrick Stone asked if the money is available to cover payroll. Ginger Cornell replied yes, we budgeted for payroll. Alan McKay asked if the payroll calculation adjustments were included. Andy Freeman stated yes, and there were three payrolls in January. Ginger Cornell stated the last payroll was recalculated but the other two were not. Andy Freeman stated we spoke with the auditor on Thursday and payroll was the following Monday and Tuesday so we adjusted it on Tuesday. Ryan Peters stated that was the last payroll in January. Andy Freeman replied yes. Alan McKay asked if Ryan Peters was good with it. Ryan Peters replied yes.

Motion was made by Ryan Peters to approve Item E on the Consent Agenda as presented.  
Seconded by Dan Gordon.

Alan McKay, Derrick Stone, Ryan Peters and Dan Gordon each voted aye. Darrell Cole was absent.

Motion carried by vote.

DISCUSSION AND POSSIBLE ACTION ON AGREEMENT WITH MCAFEE AND TAFT FOR EMPLOYMENT POLICY AND PROCEDURE UPDATE SERVICES:

Andy Freeman stated this is what he mentioned earlier. Andy Freeman stated we were hoping to get their quote to update our personnel policy and go over payroll with us. Andy Freeman stated we did not get it before the meeting. Alan McKay asked if this was one company or two. Ginger Cornell stated no, that is one firm together. Les Wesberry stated he has sent everything to McAfee and Taft and they are not billing for any time, but it is just to get an idea of what a budget would be for a deliverable. Les Wesberry stated they are a premier law firm and it will likely come with a premier price, but at least we will know the time by looking at them. Les Wesberry stated whatever they produce would be bullet proof. Les Wesberry stated this particular attorney came highly recommended and through a thirty-minute phone call he shed light on a lot of things and how he would go about curing some issues. Les Wesberry stated he felt it was worth getting a cost estimate. Alan McKay asked if he would present a draft for Council to review. Andy Freeman stated they will present a cost estimate and that will be brought for Council for approval. Andy Freeman stated they have our personnel policy, the Firefighter contract and the Police Department policy and they likely have their own policy.

Andy Freeman stated if they are hired, they will present a policy recommendation and then Council will review it for approval. Derrick Stone asked if we needed to table this item. Andy Freeman replied yes.

Motion was made by Ryan Peters to table this item.  
Seconded by Dan Gordon.

Alan McKay, Derrick Stone, Ryan Peters and Dan Gordon each voted aye. Darrell Cole was absent.

Motion carried by vote.

DISCUSSION AND POSSIBLE ACTION ON ADVERTISEMENT FOR FUN TIMES MAGAZINE:

Alan McKay recused himself from this item. LaQuita Dayton, publisher of Fun Times Magazine, stated she was here to seek approval to move forward on advertising in the Fun Times Magazine for the City of Sulphur. LaQuita Dayton stated in the packets there should have been some general information regarding the Fun Times. LaQuita Dayton stated it is printed magazine as well as an interactive digital magazine and the ad would be in both. LaQuita Dayton stated a copy of the magazine was included as well. LaQuita Dayton stated the biggest question as to why the City of Sulphur should advertise in a tourism magazine and the bottom line is revenue, sales tax and lodging tax. LaQuita Dayton stated we need to keep our presence in a very competitive market. LaQuita Dayton stated there is a lot of competition for the tourism dollars and we need to continue to give them a reason to come here. LaQuita Dayton stated our area as a whole has a lot of natural assets to keep people here, but more importantly we need to promote all of those. LaQuita Dayton stated we do not want to people to see our area as a day trip because that does not generate lodging tax revenue. LaQuita Dayton stated the ad is available in print and 24-7 on the internet through her website, visithearbuckles.com and on the State Tourism website. LaQuita Dayton stated the proposed ad can be edited, but noted there are two contact sources included. LaQuita Dayton stated she recommends not just putting the City's contact information, but include the Chamber of Commerce as a contact. LaQuita Dayton stated the City employees should not be tied up answering tourism questions, but rather use the Chamber as they are equipped for that. LaQuita Dayton stated the ad references City government questions to be directed to the City and tourism questions to be directed to the Sulphur Chamber of Commerce.

Motion was made by Ryan Peters to approve the ad for Fun Times Magazine as presented.  
Seconded by Dan Gordon.

Derrick Stone, Ryan Peters and Dan Gordon each voted aye. Alan McKay abstained and Darrell Cole was absent.

Motion carried by vote.

DISCUSSION AND POSSIBLE ACTION ON OG&E EASEMENT FOR THE PUMP STATION WEST OF TOWN AS PART OF THE OKLAHOMA WATER RESOURCES BOARD/CHICKASAW NATION IRRIGATION PROJECT:

Andy Freeman stated a picture of that property was included in the packets. Andy Freeman stated they are looking at coming down the east side of the property to the backside. Andy Freeman stated there is a possibility the City may not have to pay for this if the development going in further South gets the access to go through the City and through a neighboring property. Andy Freeman stated if that access does not pan out, then the City could have a cost. Andy Freeman stated a survey would still be required and other things to proceed. Andy Freeman stated this will have to occur one way or another, as part of the Oklahoma Water Resources Board/Chickasaw Nation Project. Alan McKay suggested on changing the county from Carter to Murray. Andy Freeman stated that is strictly an example from OG&E. Andy Freeman stated they just wanted the City and the City Attorney to see a copy of it so we could review it. Alan McKay asked if they ever discussed moving the line back out. Andy Freeman stated yes, but they will not do it underground. Alan McKay stated it would be overhead. Andy Freeman stated they have indicated that once the area begins developing, they would move it out front. Andy Freeman stated we would also have to discuss it with the Chickasaw Telephone Company to design it to go around their fiber optic that is underneath that same line. Alan McKay asked if the item needed to be approved. Andy Freeman stated no approval is needed; it is mainly more informative. Andy Freeman stated hopefully the property owners to the south can agree and this can proceed and will not cost the City anything. Alan McKay stated they tried another route that will not work. Andy Freeman asked what is that. Alan McKay stated they wanted to come off another land owner South of that. Andy Freeman stated it is his understanding the land owner first said yes, then changed their mind. Andy Freeman stated they are looking to move to the east to another property.

Motion was made by Derrick Stone to table this item.

Seconded by Dan Gordon.

Alan McKay, Derrick Stone, Ryan Peters and Dan Gordon each voted aye. Darrell Cole was absent.

Motion carried by vote.

DISCUSSION AND POSSIBLE ACTION ON PAYMENT TO THE OKLAHOMA DEPARTMENT OF TRANSPORTATION FOR THE CITY'S PORTION OF DESIGN COST FOR THE OK TAP SIDEWALK GRANT IN THE AMOUNT OF \$17,125.64:

Andy Freeman stated the email included the packet shows where the Tap Grant has been approved by ODOT and this invoice for \$17,125.64 is our portion of the design cost. Andy Freeman stated this is an 80/20 grant. Alan McKay stated this sidewalk will get everything on the north side of Broadway. Andy Freeman stated this is on the North side of Broadway, from 12<sup>th</sup> Street and ends around Taco Mayo. Derrick Stone asked if this would be enough to get

ODOT to repave the Highway. Andy Freeman stated that is a question for ODOT. Alan McKay stated we need to check because the document states it is from 12<sup>th</sup> Street to the west entry of Crossway Church. Andy Freeman stated we changed that because there were not enough funds available to go that far. Andy Freeman stated it should be just past 18<sup>th</sup> Street near the Taco Mayo area. Andy Freeman stated originally the plan was to go to the West entrance of Crossway but the money would not go that far due to the increase in everything. Alan McKay requested we make sure they are taking the extra off for this price. Andy Freeman stated he will check and the design was done by the engineer. Andy Freeman stated we submitted the change and that is the area we started on the project walk through. Andy Freeman stated it is likely an error, but the Council can table it if they wish. Alan McKay stated you can ask them, but it will not come out any cheaper. Andy Freeman stated from what they have done in the past, they paid for anything over the original dollar amount. Andy Freeman stated the City is only liable for the 20% we agreed to at the beginning of the grant. Ginger Cornell asked what the cost would be if the City finished the project to the original location if the City paid out of pocket. Andy Freeman stated he was not sure; he would have to check with Myers Engineering. Alan McKay asked if we had the money. Ginger Cornell stated she does not know without knowing a cost estimate, but it would be nice to get it completed to that point. Andy Freeman stated he can check into it. Alan McKay asked if the money was available for this portion. Ginger Cornell replied yes, this project was budgeted. Alan McKay stated it needs to be done because people are tired of the rough Broadway. Andy Freeman stated he is hoping once we get all the sidewalks done and the curb and guttering, ODOT will come in to repave. Kathy John with the Sulphur Times Democrat, stated per ODOT's email, we are on the list for 2024 to pave Broadway from West 3<sup>rd</sup> Street to the Fair Barn.

Motion was made by Derrick Stone to approve the payment to ODOT.  
Seconded by Dan Gordon.

Alan McKay, Derrick Stone, Ryan Peters and Dan Gordon each voted aye. Darrell Cole was absent.

Motion carried by vote.

NEW BUSINESS:

None.

ADJOURNMENT:

Motion was made by Ryan Peters to adjourn at 7:16 P.M.  
Seconded by Dan Gordon.

Alan McKay, Derrick Stone, Ryan Peters and Dan Gordon each voted aye. Darrell Cole was absent.

Motion carried by vote.

ATTEST:

\_\_\_\_\_  
SHANNON COUCH, CITY CLERK

\_\_\_\_\_  
ALAN MCKAY, VICE-MAYOR





SULPHUR MUNICIPAL AUTHORITY  
REGULAR TRUST MEETING  
PROCEEDINGS OF GOVERNING BOARD  
MONDAY, FEBRUARY 12, 2024

HELD AT THE

CITY COMPLEX  
600 WEST BROADWAY  
SULPHUR, OKLAHOMA

Notices were posted at the Sulphur City Complex, the Mary E. Parker Memorial Library and the Murray County Courthouse.

The Regular Trust Meeting was called to order at 7:17 P.M. by Alan McKay, Vice-Chairman.

TRUST MEMBERS PRESENT:

Alan McKay, Ward 1  
Derrick Stone, Ward 2  
Darrell Cole, Ward 3, Absent  
Ryan Peters, Ward 4  
Dan Gordon, Ward 5

ALSO PRESENT:

Andy Freeman, City Manager  
Shannon Couch, City Clerk  
Ginger Cornell, City Treasurer  
Les Wesberry, Jr., City Attorney

CORRESPONDENCE & UPDATES:

Andy Freeman stated the Hazard Mitigation Plan is done, but he did not get it in time for the meeting. Andy Freeman stated he will get copies to Council for review. Andy Freeman stated in regard to the lead line inventory, he received an email from the Chickasaw Nation who has found an EPA grant that could possibly pay for all of our lead line replacement. Andy Freeman stated he has asked for a preliminary engineering on the 12" line that we did. Andy Freeman stated at this point he does not have all the details. Andy Freeman stated it would be nice to get 100 percent of that paid for because there is not just that one line, there are a few more that we know of. Andy Freeman stated if we can get it funded, then we could use the \$885,000 in ARPA funds to do sewer line or something else. Alan McKay asked how much do we have for the 13<sup>th</sup> Street. Andy Freeman stated it runs from the top of the hill. Alan McKay if we have the money to cover it. Andy Freeman stated we have \$885,000 in ARPA funds, but the total project estimate was \$2.5 million. Andy Freeman stated he will get more details and bring it back to Council. Alan McKay asked if the transite lines are only on the east side. Alan McKay stated no there is one on

Chickasha. Andy Freeman stated there is also one on 14<sup>th</sup> Street. Andy Freeman stated the Wastewater Treatment Plant started WET Testing this week. Andy Freeman stated he updated Council last month about the Notice of Violation and we will have the notice until testing is complete. Andy Freeman stated he thinks it was one month of copper and lead testing that will be picked up at the end of the testing. Andy Freeman stated there is an agenda item on some Sanitation issues. Andy Freeman stated we are still working on getting the new roll off truck online and he is working with the City Attorney on that matter. Andy Freeman stated we need to get the truck back and in service soon.

PUBLIC/CITIZEN PARTICIPATION:

None.

CONSENT AGENDA:

- A. DISCUSSION AND POSSIBLE ACTION ON THE MINUTES OF THE JANUARY 8, 2024 REGULAR TRUST MEETING:
- B. DISCUSSION AND POSSIBLE ACTION ON PURCHASE ORDERS AS ITEMIZED ON THE CLAIMS LIST:
- C. DISCUSSION AND POSSIBLE ACTION ON THE TREASURER'S REPORTS:
- D. DISCUSSION AND POSSIBLE ACTION ON THE CLERK'S COLLECTION AND BUDGET REPORTS:
- E. DISCUSSION AND POSSIBLE ACTION ON PAYROLL IN THE AMOUNT OF \$125,439.34 FOR JANUARY 2024 AND IN THE APPROXIMATE AMOUNT OF \$115,500.00 FOR MARCH 2024:
- F. DISCUSSION AND POSSIBLE ACTION ON PAYMENT TO FINISH LINE FUELS FOR FUEL EXPENSES FOR FEBRUARY IN AN AMOUNT NOT TO EXCEED \$10,000.00:
- G. DISCUSSION AND POSSIBLE ACTION ON PAYMENT TO ROSE STATE COLLEGE FOR CLASS A WATER OPERATOR TRAINING IN THE AMOUNT OF \$414.00:
- H. DISCUSSION AND POSSIBLE ACTION ON PAYMENT TO PREMIER TRUCK GROUP FOR BRAKES AND SEALS ON UNIT # 4 IN THE AMOUNT OF \$1,010.76:

- I. DISCUSSION AND POSSIBLE ACTION ON PAYMENT TO OUTPUT MANAGEMENT GROUP FOR IBM 6400 PRINTER MAINTENANCE AND SERVICES IN THE AMOUNT OF \$1,797.00:
- J. DISCUSSION AND POSSIBLE ACTION ON FY 23-24 BUDGET AMENDMENTS:

Motion was made by Derrick Stone to pull Item C from the Consent Agenda.  
Seconded by Dan Gordon.

Alan McKay, Derrick Stone, Ryan Peters and Dan Gordon each voted aye. Darrell Cole was absent.

Motion carried by vote.

Alan McKay asked if the Council was good with the remaining Consent Agenda items. Derrick Stone suggested discussing Item C to make sure we have the money to cover the items. Ginger Cornell stated our SMA collections are at 64% and some of our numbers, the water, sewer and sanitation, are under where we needed to be to actually hit our 10% over. Ginger Cornell stated ideally, we would be at 58% but if she takes some of the 200 percentages out of here that rolled into there it would be closer to the 58%. Ginger Cornell stated we are not over collecting there at an amount she would like to see. Ginger Cornell stated but can we pay these claims, yes. Ginger Cornell suggested the Council review each department and go to the total line item it will tell you what each department has spent. Ginger Cornell stated the only line that would be skewed is the one with our ARPA money in it. Ginger Cornell stated when she looked at the expenses considering those items, we would have spent 51% of our current budget. Ginger Cornell stated we do not have a lot of play with that 6% and we will not have a lot left over. Ginger Cornell stated she felt comfortable that the claims will pay.

Motion was made by Derrick Stone to approve Item C on the Consent Agenda as presented.  
Seconded by Ryan Peters.

Alan McKay, Derrick Stone, Ryan Peters and Dan Gordon each voted aye. Darrell Cole was absent.

Motion carried by vote.

Motion was made by Derrick Stone to approve Items A, B, D, E, F, G, H, I and J on the Consent Agenda as presented.  
Seconded by Dan Gordon.

Alan McKay, Derrick Stone, Ryan Peters and Dan Gordon each voted aye. Darrell Cole was absent.

Motion carried by vote.

DISCUSSION AND POSSIBLE ACTION ON QUOTES FOR GIS MAPPING PROJECT:

Alan McKay asked if this was the item tabled from last month. Andy Freeman stated yes, and both companies are present if the Council has any more questions. The following quotes were received:

- 1) True North Mapping (water and sewer lines, valves, meters, etc.)
  - a. Option 1 - \$25,000.00  
\*\$1,500.00 per month or \$2,000 per month if map is added to City website

2) Parkhill (waterlines and property easements only)

- a. Option 1 - Aerial Option \$40,643.00
- b. Option 2 – Ground Option \$36,097.00
- c. Option 3 – Google Maps Option \$28,440.00

\*Plus, a \$250 per month ESRI host fee for all options.

Derrick Stone asked how long we would have either company host the data outside of our IT infrastructure. Andy Freeman stated our IT infrastructure will not host the data because it is too much data. Derrick Stone stated so it would be long term. Andy Freeman stated unless we do something different computer wise. Alan McKay stated or we could designate one computer for this data only. Andy Freeman stated that would be a question for them because he does not know if a computer will hold it or if has to be a server. Brian Mitchell with Parkhill, stated hosting it is a tremendous amount of data and a computer will not hold it. Brian Mitchell stated most towns the size of Sulphur contract out the hosting because of the file size and database. Mark Masoner with True North stated that also includes corruption safety included with an outside host. Alan McKay asked if this has been discussed with you. Ginger Cornell stated this project was budgeted. Andy Freeman stated we budgeted \$25,000. Derrick Stone stated that does not leave much for the monthly fee. Ginger Cornell stated she and Andy have discussed it and if you add both things up over a five-year period the money will be about the same. Alan McKay stated the host cost would be between the City and the host. Both company representatives stated the host expense would be through them. Ginger Cornell asked if the information is ours if the contract was to terminate. Both company representatives agreed, it is the City's data to keep. Shannon Couch asked regardless of which company is chosen, if at some point the contract is terminated, who is responsible for updating the data as Sulphur grows to record that data. Brian Mitchell with Parkhill, stated it can be delivered to the company in batches, annually, monthly, etc. and you pay for it as needed or it can be as a retainer. Brian Mitchell stated True North was presented as a retainer basis. Shannon Couch stated for example if services were terminated after 5 years but we later need to update, do we have to contract with someone again or can staff update. The representatives stated you could update it if you know how. Derrick Stone stated the biggest thing on bringing that data is having to have somewhere to house it. Mark Masoner stated and you have to be able to use and update it. Alan McKay stated there is only \$25,000 budgeted. Andy Freeman stated that is what we accounted for during last year's prep. Ginger

Cornell stated option 1 it is \$25,000 and if we wait to do option 2 it is \$20,000 and then on down it would be \$10,000. Ginger Cornell stated if the mapping is split between years, then it will cost more. Mark Masoner replied yes. Ginger Cornell stated you will furnish the iPad and train the individuals using them. Mark Masoner replied yes. Ryan Peters stated it is something we needed to do a long time ago. Derrick Stone stated if we select option 1 that expends the budget for this year, so where do we come up with the monthly fee. Andy Freeman stated we would have to cut something else out of the budget. Mark Masoner stated the \$25,000 is over a course of about 5 months, therefore, the monthly fee would not begin until next fiscal year. Ginger Cornell stated so we will be billed in increments for the \$25,000. Mark Masoner replied yes. Ryan Peters stated he felt we needed to do it. Dan Gordon stated it will make locating a lot easier for staff. Derrick Stone stated only one fits better into our budget. Andy Freeman stated if the current water department crew left, this would help new crew members in finding these valves, meters, etc. Andy Freeman stated it will be helpful in the future.

Motion was made by Derrick Stone to approve the quote from True North Mapping as it fits in our budget.

Seconded by Dan Gordon.

Alan McKay, Derrick Stone, Ryan Peters and Dan Gordon each voted aye. Darrell Cole was absent.

Motion carried by vote.

DISCUSSION AND POSSIBLE ACTION ON A QUOTE TO REPLACE THE MOTOR IN THE 2004 INTERNATIONAL ROLL OFF TRUCK:

Andy freeman stated this is the red roll off truck that the City has had for some time. Andy Freeman stated we took it to Chris Foster's in Davis to see what it will take to fix it. Andy Freeman stated we have looked at various options: remanufactured motor, buying the motor ourselves, we buy the motor and Fosters installs it and turnkey install from Holt Truck Centers. Andy Freeman stated we have considered our staff doing the repairs as well, but he would prefer it be done elsewhere in case there are any issues. Alan McKay stated it needed to be done right.

The quotes are as follows:

- |                               |                          |
|-------------------------------|--------------------------|
| 1) Fosters Repair Service LLC | \$34,710.48              |
| 2) Holt Truck Centers         | \$23,039.57 (motor only) |
| 3) Holt Truck Centers         | \$32,239.07              |

Discussion was made about a reduction of approximately \$3,600 for the core when installation is complete. Discussion was made about warranty and whether the warranty would be voided if

not done by a certified mechanic. Discussion was made to check further into the warranty before making a decision.

Motion was made by Ryan Peters to table this item.  
Seconded by Dan Gordon.

Alan McKay, Derrick Stone, Ryan Peters and Dan Gordon each voted aye. Darrell Cole was absent.

Motion carried by vote.

NEW BUSINESS:

None.

ADJOURNMENT:

Motion was made by Ryan Peters to adjourn at 7:53 P.M.  
Seconded by Dan Gordon.

Alan McKay, Derrick Stone, Ryan Peters and Dan Gordon each voted aye. Darrell Cole was absent.

Motion carried by vote.

ATTEST:

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SHANNON COUCH, SECRETARY

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ALAN MCKAY, VICE-CHAIRMAN