

**From:** Grayson Bottom

**Sent:** Friday, June 15, 2012 3:40 PM

**To:** Gary Cooper; alberts239; Ken Smith; Michael McEachern (mmceachern1@cox.net); Rick Opitz; thegrbas@cox.net

**Subject:** City Council Update

News: Yesterday we discovered a major leak in our 6" water main that runs east and west on the north side of main street. The leak is actually under the rail road track. The repair plan is to put estoppel on either side of the rail road right-of-way to stop the water from continuing to run and give us the necessary time to have the repair engineered. We must have engineering done to get the necessary permits from the rail road. The first blush estimate of the all-in cost is \$93,000. We won't know for sure until the engineering is done.

We have two action items for your consideration under the YMA Agenda. The first is to consider approve a resolution authorizing the issuance of Revenue Bonds in the amount of a not to exceed \$15,000,000. The Oklahoma municipal bond market has only improved over the last several weeks. We are now looking at a rate of less than 3% (could be as low as 2.5%). The market conditions for issuing a bond at this time are coming together in a way that we may not see again. We are proposing a use of funds that is as follows: \$1,500,000 debt reserve fund; \$300,000 cost of issuance; \$2,000,000 SH-4 improvements; \$1,350,000 west side water storage and 12" water line loop; \$2,000,000 to retire the YNB credit facility; \$4,500,000 for residential street improvements; \$1,000,000 contractually required improvements to our waste water treatment facility; \$1,950,000 waste water collection system improvements; and \$2,400,000 for park improvements. This action requires a 4/5's majority to pass.

The second action item for your consideration is to encumber \$300,000 to be held in escrow for the "down-payment" on the Water Storage Vessels Maintenance agreement. We have budgeted this item in this year's budget but need Mike to review the agreements before asking you to approve them.

We have seven action items for your consideration under the City Council agenda. The first is our annual agreement with the City of El Reno for jail services at a rate \$40 per day per prisoner. The second action item is to approve our annual agreement with the Yukon Public Schools where they pay us \$150,000 per year to provide three School Resource Officers. The third action item is to authorize John to sign a letter of agreement with the Oklahoma Tobacco Settlement Endowment Trust to receive a \$8,000 grant.

The next three action items all relate to approving the action of the trustees of the YMA to issue revenue bonds as outlined above. You are being asked to consider a resolution, an ordinance, and an emergency clause. The final action item for your consideration is to award a contract to Shell Construction, Inc. in the amount of \$353,753.18 for the construction roadway, waterline, and sanitary sewer line replacement project through the Community Development Block Grant (CDBG) program.

I know that Mike has received a call about prohibiting the feeding of feral cats, and I have received a call about doing away with the alarm system registration fee or at least modifying it. Please get with me individually with any thoughts you may have on these two matters.



Grayson Bottom, City Manager

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