

Yukon City Council Minutes
December 21, 2015
*****Special Meeting*****

The Yukon City Council met in Special Session December 21, 2015 at 7:00 p.m. in the Council Chambers of the Centennial Building, 12 South Fifth Street, Yukon, Oklahoma.

ROLL CALL: (Present) John Alberts, Mayor
 Richard Russell, Vice Mayor
 Michael McEachern, Council Member
 Earline Smaistrla, Council Member
 Donna Yanda, Council Member

OTHERS PRESENT:

Tammy DeSpain, Acting City Manager	Doug Shivers, City Clerk
Robbie Williams, City Engineer	Mitch Hort, Development Services Dir.
Bill Stover, Sanitation Director	John Corn, Police Chief
Gary Cooper, IT Director	Jl Johnson, Treasurer
Philip Merry, 2 nd Deputy Treasurer	Cindi Shivers, Human Resources Director
Arnold Adams, Public Works Director	Lori Adams, Emergency Management

- 1. Consider approving an expenditure of funds, in an amount not to exceed \$1,375,000.00, for the CITY OF YUKON, OKLAHOMA, WATER AND SEWER SYSTEM IMPROVEMENT PROJECT, consisting of a One Million Gallon Water Tower and 12" Water Line along Highway 66, Frisco Road, and Vandament Avenue and Ranchwood Addition Sanitary Sewer Piper Bursting, to be paid from the General Reserve Fund, as recommended by the City Engineer**

The motion to approve an expenditure of funds, in an amount not to exceed \$1,375,000.00, for the CITY OF YUKON, OKLAHOMA, WATER AND SEWER SYSTEM IMPROVEMENT PROJECT, consisting of a One Million Gallon Water Tower and 12" Water Line along Highway 66, Frisco Road, and Vandament Avenue and Ranchwood Addition Sanitary Sewer Piper Bursting, to be paid from the General Reserve Fund, as recommended by the City Engineer, was made by was made by Trustee McEachern and seconded by Trustee Russell.

Council Member McEachern clarified we are using General Reserve Funds. Mrs. DeSpain stated we have to pay the deposit to the Corps by December 31. Council Member McEachern asked why we are using the rainy day funds. Mr. Johnson stated due to cash flow. We will pay it back over time. Council Member McEachern questioned if funds had been set aside. Mr. Johnson stated we set bond funds aside at one time, but they have been used for Capital Improvement Projects. CORPS has deferred payment every couple of months, but now we have to pay.

Council Member Russell clarified funds were available in July, but have now been used elsewhere. Mr. Johnson stated yes. Council Member McEachern clarified funds were used only on Capital Improvement Projects? Mr. Johnson stated he gave a list of capital expenditures to the City Attorney. Mr. McEachern stated we knew about this expenditure for some time. He questioned the spending of funds. Mr. Johnson stated other expenses came up. Mayor Alberts clarified at this time there is a cash flow issue, otherwise we can't pay. Mr. Johnson stated yes. Mayor Alberts asked, if we've had a cash flow issue for a while. Is that why we've had to spend the money? Mr. Johnson stated we had an extremely high claims list in October; \$1.2 million. Mayor Alberts asked if these were un-budgeted items we didn't expect. Mr. Johnson stated no. Mayor Alberts asked if our collections were behind. Mr. Johnson stated sales tax is greater, but revenues at end of December are less than 50% of our budgeted revenue.

Council Member McEachern asked if anticipated revenue collections thru Christmas will be able to repay funds. Mr. Johnson stated he does not believe it will happen before the end of fiscal year. This item will not exceed \$1,375,000.00. He will

only use minimum amount required from reserve. Council Member McEachern asked if we have let contracts yet. Mr. Williams stated no, 95% of plans have been submitted and there has been a third party review. We are waiting on their comments to address and then will move on with bidding. The Corps has approved land and we are currently waiting on appraisal. Mayor Alberts asked if we have to match 25% of funds. Mr. Williams stated yes, this project started in 1998. In 2008 we had funds, they then went away, but came back a couple of years ago. Mayor Alberts asked for the amount of our matching funds. Mr. Williams stated \$1,375,000.00 million. Mayor Alberts asked if this was due now. Mr. Johnsons stated yes, but may not have to draw total amount from reserve. Mayor Alberts asked if this would impact our day to day operations. Mr. Johnsons stated no. Mayor Alberts asked for clarification of other accounts. Mr. Johnsons stated operating account could support.

Council Member McEachern asked how long it would take to restore. Mr. Johnson stated at least one year. Mayor Alberts asked if we are required to repay rainy day funds. Mr. Johnson stated we are required to retain 25% of our total budget. If we use reserve, we have to pay it back from available operating funds. Since he's been here, we've been over the required amount. Mayor Alberts wants to make sure no department suffers by approving this item. Mr. Johnsons stated day to day hampered, if this doesn't pass. Council Member McEachern asked what the rainy day balance is. Mr. Johnson stated unknown. Council Member McEachern would like the amount. Mr. Johnson will provide.

The vote:

AYES: Smaistrila, Alberts, Yanda, McEachern, Russell

NAYS: Yanda

VOTE: 5-0

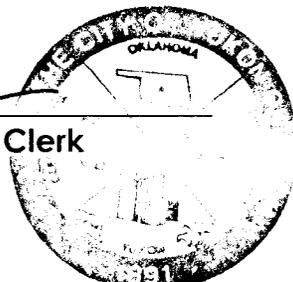
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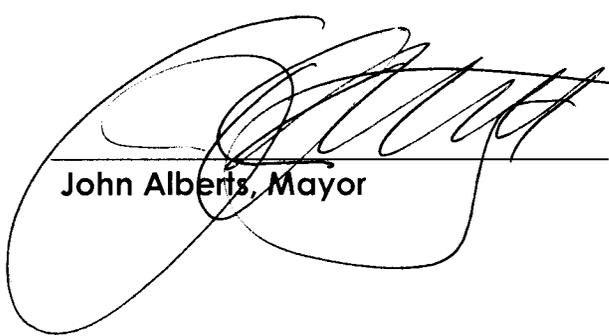
Mayor Alberts thanked Mr. Johnson for the information.

2. Adjournment



Doug Shivers, City Clerk





John Alberts, Mayor