

**GROVE MUNICIPAL SERVICES AUTHORITY
REGULAR MEETING
TUESDAY, APRIL 19, 2016
4:30 PM**

The Grove Municipal Services Authority met in regular session on Tuesday, April 19, 2016 at 4:30 PM with Chairman Robert Plunk presiding. Members present were Bill Dyer, Berwin Kock, Kenneth Fitch and Don Nielsen. Also present was General Manager, Bill Keefer; Attorney, Darren Cook; Public Works Director, Jack Bower; City Treasurer, Lisa Allred; Assistant General Manager, Debbie Bottoroff and City Clerk, Bonnie Buzzard.

Fitch made the motion to approve the minutes from the previous meeting. Seconded by Nielsen. AYE: Dyer, Kock, Fitch, Nielsen and Plunk. NAY: None. Motion carried.

Nielsen made the motion to approve the purchase order register as presented and amended by Allred. Seconded by Fitch. AYE: Dyer, Kock, Fitch, Nielsen and Plunk. NAY: None. Motion carried.

Plunk opened the floor for discussion with respect to the following:

- a. Approval of a request from Rural Water, Sewer, Gas and Solid Waste Management District Number 10 of Delaware County, Oklahoma, for GMSA to provide water service to the district and authorization for Staff and the City Attorney to negotiate the necessary utility service agreements for consideration and approval by the GMSA Board at a future meeting (subject to approval of related request(s) from the Cherokee Nation).
- b. Acceptance of authorization from Rural Water, Sewer, Gas and Solid Waste Management District Number 10 of Delaware County, Oklahoma, to provide sanitary sewer service and operate a sanitary sewer system within the district's boundaries and authorizing staff and the City Attorney to negotiate the necessary utility service agreements for consideration and approval by the GMSA Board at a future meeting (subject to approval of related request(s) from the Cherokee Nation).

Keefer reported that several months ago GMSA was approached by RWD #10 to discuss the extension of our sewer utility to serve the proposed Cherokee Casino to be located in the vicinity of Tom Cat Corner. This inquiry moved forward with several meetings with RWD #10 and representatives of the Cherokee Nation to discuss sewer service as well as water services. Keefer mentioned that during the discussions it was noted that in order for GMSA to provide utilities across Sail Board Bridge, RWD #10 would have to request the same and authorize GMSA to operate within their district boundaries. In addition, details and responsibilities for each project would have to be outlined through Intergovernmental Agreements between the various parties. Keefer added that the Cherokee Nation has agreed to construct a force main sewer line from the casino site, south along Highway 59, across the bridge connecting onto GMSA current system. At which time, upon construction and acceptance from GMSA, the ownership of the sewer line and related improvements would be turned over to GMSA who would then become responsible for the maintenance and upkeep. Keefer then reported that the Cherokee Nation has also requested that they be connected to GMSA's water system. In turn, RWD #10 has indicated that they would buy water from GMSA and resell it back to the casino. Hence, the Cherokees tentatively will construct a water line along a similar path as the sewer line, across the bridge connecting onto GMSA's existing water system. A water meter and check valve would be installed on the north side of the bridge separating the district from GMSA. Upon completion of the line and related improvements, RWD #10 will assume ownership of the line from the meter to the casino whereas GMSA will assume ownership from the meter back across the bridge and to its connection into GMSA existing water system. Though RWD #10 will own a portion of that line, the Cherokee Nation would like for them to have a maintenance agreement with GMSA to assist with repairs as needed. GMSA would charge RWD #10 "outside of city" rates for this water service and would seed recover tangible

cost through a maintenance agreement. Keefer and Staff fielded questions, comments and concerns from the Board. After much discussion the following motion(s) were made:

- Dyer made the motion to approve a request from Rural Water, Sewer, Gas and Solid Waste Management District Number 10 of Delaware County, Oklahoma, for GMSA to provide water service to the district and authorization for Staff and the City Attorney to negotiate the necessary utility service agreements for consideration and approval by the GMSA Board at a future meeting (subject to approval of related request(s) from the Cherokee Nation). Seconded by Fitch. AYE: Dyer, Kock, Fitch, Nielsen and Plunk. NAY: None. Motion carried.
- Kock made the motion to approve the acceptance of authorization from Rural Water, Sewer, Gas and Solid Waste Management District Number 10 of Delaware County, Oklahoma, to provide sanitary sewer service and operate a sanitary sewer system within the district's boundaries and authorizing staff and the City Attorney to negotiate the necessary utility service agreements for consideration and approval by the GMSA Board at a future meeting (subject to approval of related request(s) from the Cherokee Nation). Seconded by Nielsen. AYE: Dyer, Kock, Fitch, Nielsen and Plunk. NAY: None. Motion carried.

Plunk then opened the floor for discussion with respect to the following:

- a. Approval of a request from Cherokee Nation Entertainment to provide sanitary sewer service to their property located at the northwest corner of the intersection of U.S. Highway 59 and East 250 Road for their development of a gaming facility and related amenities and authorization for Staff and the City Attorney to negotiate the necessary Utility Service Agreements for consideration and approval by the GMSA Board at a future meeting.
- b. Acknowledgement of Cherokee Nation Entertainment's intent to purchase water supplied by GMSA through Rural Water, Sewer, Gas and Solid Waste Management District Number 10 of Delaware County, Oklahoma and authorization for Staff and the City Attorney to negotiate the necessary Utility Service Agreements for consideration and approval by the GMSA Board at a future meeting.

Keefer reported that these two (2) items confirms the Cherokee Nation's intent to purchase waster from RWD #10 for their casino facility and at their request they are asking RWD #10 to purchase water service from GMSA to serve their facility as previously discussed in the above-mentioned agenda item(s).

- Kock made the motion to approve the request from Cherokee Nation Entertainment to provide sanitary sewer service to their property located at the northwest corner of the intersection of U.S. Highway 59 and East 250 Road for their development of a gaming facility and related amenities and authorization for Staff and the City Attorney to negotiate the necessary Utility Service Agreements for consideration and approval by the GMSA Board at a future meeting. Seconded by Dyer. AYE: Dyer, Kock, Fitch, Nielsen and Plunk. NAY: None. Motion carried.
- Dyer then made the motion to approve acknowledgement of the Cherokee Nation Entertainment's intent to purchase water supplied by GMSA through Rural Water, Sewer, Gas and Solid Waste Management District Number 10 of Delaware County, Oklahoma and authorization for Staff and the City Attorney to negotiate the necessary Utility Service Agreements for consideration and approval by the GMSA Board at a future meeting. Seconded by Nielsen. AYE: Dyer, Kock, Fitch, Nielsen and Plunk. NAY: None. Motion carried.

Dyer made the motion to approve the scheduling of a budget work session at 1:30 PM on Wednesday, May 25, 2016 to review and discuss the proposed 2016-2017 GMSA budget. Seconded by Nielsen. AYE: Dyer, Kock, Fitch, Nielsen and Plunk. NAY: None. Motion carried.

Plunk opened the floor for discussion with respect to the establishment of policies relating to utility connect fees and annexation agreements related to extension of water, sewer and gas utilities. Keefer reported that with the proposed extension of utilities north of Sailboat Bridge, Staff has had several questions pertaining to the future annexation of those properties that might be served by utilities in that area. Those questions prompt a more general discussion as it pertains to annexation of future annexation of properties into the

City when associated with connections or extension of our utilities to areas that are not within the city limits. Keefer asked the Board to consider establishing a policy that would set forth criteria that would require annexation or consent for future annexation when connecting to our utilities or extending utilities to an area that is not currently being served. Keefer added that the second part of the agenda item pertains to connect fees for developers and individual property owners when their development wants to connect to water, sewer and gas mains that were extended and paid for by another developer or property owner. Keefer added that it would be beneficial to have a policy in place that would identify criteria that would distinguish which utility lines would be subject to connect fees and establish a formula to calculate the connect fee. Keefer entertained questions, comments and concerns from the Board and Ms. Judith Read. Kock made the motion to authorize the Staff to move forward and explore the long term options of a proposed annexation agreement, and to include proposed tap and connection fees. Seconded by Dyer. AYE: Dyer, Kock, Fitch, Nielsen and Plunk. NAY: None. Motion carried.

STAFF REPORTS:

Keefer reported that the tub grinder contractor for PSO recently performed their last clean up at the tree limb dump located at the GMSA / Public Works facility site. As previously reported, the City and GMSA had a verbal agreement that allowed PSO to use the facility to dispose of tree trimmings and brush that they cleaned from their easements and right-of-ways. In return, PSO would periodically hire a contractor with a tub grinder to come in and mulch/chip all of the material which we also use for the sludge composting process. Keefer mentioned that PSO is now mulching the limbs on site, and that they will no longer be hiring a tub grinder to chip our dump site. Because the dump site is not manned and in essence is open to the public whenever the gate is open, we are experiencing a growing problem with individuals dumping household trash and other debris at this site as well as dumping brush wherever it is convenient thus causing different problems for the facility. Since the City / GMSA does not have the equipment or resources to maintain this facility it would be Staff recommendation to close the facility to the public for a possible dump site. It will be proposed in the upcoming FY budget to place some fencing and an automated gate approximately 100' from Cherokee Street to eliminate public access to the site which will also provide additional security for the WWTP and our facilities.

Keefer added that the bids for the Cherokee Street water and gas lines relocation project will be on the next regular scheduled meeting for consideration.

Bower reported that the bottom dropped out of the PH count at the sewer treatment plant facility recently due to an unknown substance that was possibly dumped into the system. Bower noted that it might take a while for the Staff to figure out exactly where it came from but samples have been pulled out east of Grove along the Extreme Batteries / Pride Plating area. No results have been reported at this time.

Bower reported that along Easter weekend GMSA experienced a 12" line blew with an estimated loss of one (1) million gallons of water.

TRUSTEES REPORT:

Dyer questioned the reasoning for the deletion of gas service out at Tomcat? Bower responded by saying that the service was to abandon services to an old house and trailer house that are no longer in existence, so it wouldn't conflict with the new casino construction.

Nielsen expressed thanks to the Street Department for the sweeping of the right-of-ways along Baycrest.

At 5:41 PM Dyer made the motion to adjourn. Seconded by Nielsen. AYE: Dyer, Kock, Fitch, Nielsen and Plunk. NAY: None. Motion carried.