

**MINUTES OF REGULAR BOARD MEETING
CENTRAL OKLAHOMA MASTER CONSERVANCY DISTRICT**

Thursday, March 3, 2022

6:30 P.M.

Location: 12500 Alameda Dr. Norman, OK 73026

A. Call to Order

President Amanda Nairn called the meeting to Order at 6:30 pm.

Roll Call:

Board Members Present:

President Amanda Nairn

Treasurer Jann Knotts

Secretary Michael Dean

Roger Frech

William Janacek

Board Members Absent:

Kevin Anders

Dave Ballew

Staff Present:

Kyle Arthur, General Manager

Kelley Metcalf, Office Manager

Tim Carr, Operations & Maintenance Supervisor

Derek Underwood, O&M Tech I

Others Present:

Dean Couch

Tim Barnes

Chance Allison

Alan Swartz

Mark Roberts

Paul Streets

Geri Wellborn

Cole Niblett

Beverly Palmer

Virtually:

Matt Warren

Julie Chambers

B. Statement of compliance with Open Meeting Act

Kelley Metcalf, Office Manager, stated the notice of the monthly board meeting had been posted in compliance with the Open Meeting Act.

Ms. Nairn announced that Casey Hurt has moved out-of-state and is no longer on the Board. Dr. Dave Ballew is the new Board member, representing Midwest City. Mr. Ballew could not be here tonight due to a previous commitment. Paul Streets gave a brief background on Mr. Ballew.

C. Administrative

C.1. Introduction of new COMCD employee Derek Underwood

Ms. Nairn stated COMCD has a new staff member. Mr. Underwood introduced himself. He previously worked at Norman Water Treatment Plant. His first day of work was on January 17th. His job title is Operations and Maintenance Tech I.

C.2. Discussion of initial draft budget FY 2023-2025

Please see document titled "Projection for remainder of FY22 in the packet.

Mr. Arthur discussed the projection for remainder of FY22. The estimated balance at end of FY 2022 is \$1,642,652. The list of proposed special projects over the next several months totals \$880,000. These projects would be subject to Board approval and funded from surplus funds. The Budgeting Policy, that was approved by the Board on November 5, 2020, states the operating account balance carryover shall be maintained between \$750,000 and \$1,250,000. If all of the proposed special projects were approved the carryover balance would be \$762,652, which is on the lower side of the range. Mr. Arthur noted that \$1,502,387 was utilized from surplus funds to pay for various expenses since he arrived in 2020. Therefore, that has depleted the carryover to some extent.

Mr. Arthur discussed the draft 2023-2025 budget (please see document titled "draft budget" in the packet). The budget gives a 3-year look, in the attempt to try to give some line-of-sight, to where the District expenses maybe trending. Salary and wages increased more significantly, due to a new hire and Mr. Arthur stated he included a 5% salary increase, which includes the usual 3% annual step raise plus a 2% COLA raise was also added. The amount for employee's retirement also increased due to the District opting out of contributing funds to the defined benefit plan in FY 2022. The FY23 actuarial study has not been received to date. Mr. Arthur plugged in a 7% contribution for District match until the actuary study is received. That percentage could increase or decrease. Ms. Nairn asked why the FY24 salary and wages amount decreased. Mr. Arthur stated he is anticipating a retirement. Mr. Arthur stated, thus far, he does not have a new employee budgeted for FY25.

Mr. Arthur pointed out the amount for legal services decreased based upon recent spending trends. The budget increased for consultants and engineers to include fees for a pump curve test to be performed. Additionally, \$150,000 was added, in the non-assessed category, for costs associated with a development of a drought contingency plan. This project would be a 50/50 cost share with the Bureau of Reclamation, should the District be awarded the grant. Ms. Nairn asked who would preform the work. Mr. Arthur stated the District would hire a 3rd party.

The District jointly applied, with Reclamation, for an Applied Science Grant for the paleohydrology work. The work would be 100% funded and would be done internally.

Mr. Arthur pointed out that the investment earnings, which last year the District began to use to offset assessment amounts, are projected to be a little lower.

Mr. Arthur stated a notable change has been made in the way the budget financials are represented that when monies are being spent there will be a line item on the financials, regardless if it was an assessed expense or not. Previously, only if the expense was being assessed to the cities was it included on the budget portion of the financials.

Ms. Nairn encouraged anyone with questions to reach out to Mr. Arthur. The budget is expected to be an action item at the next meeting.

Mr. Streets thanked Mr. Arthur for sharing the proposed budget. Mr. Streets also stated most cities are doing at least 2% on the COLA if not more.

Commented [KA1]: Did he say 2% or 5% raise?

C.3. Discussion regarding replacement of Del City Pipeline segment West of Tinker Air Force Base at and near Air Depot Boulevard

Ms. Nairn reminded the Board that there is a 640 LF segment, that is located immediately adjacent, but outside the boundary of Tinker Air Force Base, that the District chose not to replace during the Del City Pipeline project. The United States Army Corps of Engineers (USACE) is now currently undertaking a project to abandon the portion of the existing Del City waterline that crosses the middle of Tinker AFB and relocate it to the perimeter of the base on their property. This segment was not replaced in the recent pipeline project. Mr. Arthur thought it might be advantageous to speak to the Corps and consider replacing the 640 LF segment in conjunction with the USACE project. Mr. Arthur requested a bid from Plummer and Associates to establish an approximate cost simply to ensure the Board had some good estimate as to what it may cost. Please see document titled "Opinion of Probable Construction Cost" in the packet. Ms. Nairn stated that this was not an RFP, and any entity wishing to apply has to go through USACE.

In the board packet there is a Memorandum of Agreement between United States of America Department of the Interior Bureau of Reclamation and COMCD that will establish a formal mechanism for funding the 640 LF portion, should the Board decide to proceed with the project. The Agreement also defines roles and responsibilities to complete design and construction of pipeline and a road crossing west of Tinker Air Force Base. Ms. Nairn reminded the Board this item is not on the agenda tonight for consideration, only discussion. The Agreement specifies \$550,000 as a total cost estimate, which also includes USACE's anticipated expenditures on overseeing the project and getting the project awarded. Mr. Arthur stated he has requested an estimate for the complete project.

Mr. Arthur also requested a professional opinion from Plummer and Associates, due to their familiarity on the Del City Pipeline Project, regarding the need to replace the 640 LF portion. Plummer and Associates pointed out the remaining 640 LF was installed in approximately 1974, with a design life of 50 years. Plummer and Associates recommends rehabilitation or replacement of the remaining 640 LF of C-301 pipe. Please see the document in the packet titled "Del City Waterline Replacement Recommendation".

Mr. Dean stated that there are grants available that may assist or pay for the project. Mr. Arthur stated the District has sent an application for American Recovery Plan Act (ARPA) funds to assist with this project. In total, \$1.9 billion dollars of ARPA funds has been allocated to be used for a variety of projects across the state that will be awarded on a competitive basis. To date, applications totaling \$8 billion dollars have been requested. One criterium for award is, it has to directly relate to

economic recovery from the pandemic. Mr. Arthur stated he characterized the District's request for funds due to the three cities losing revenue during the pandemic. Mr. Arthur also explained the District decreased each cities FY 2020 4th quarter assessment by one-half. Mr. Arthur also included, in the application, the list of expenses the District funded with surplus funds in an effort to decrease the cities assessments--therefore resulting in a significant reduction of surplus funds.

Mr. Dean stated there is a second grant available to apply for, that is not pandemic related, the expenses have to be associated with infrastructure. Mr. Dean suggested the District consult with the cities for insight. Ms. Palmer stated the guidelines have been changing regularly. Mr. Dean also expressed his concern regarding the advancement of \$550,000. Mr. Dean suggested the District may want to consider only advancing the expenses for the engineering costs. Mr. Dean voiced his hesitation due to the unknown repercussions of the monies being sent and possibly disqualifying the District from receiving grant money for the project. Mr. Arthur stated he would consult with Reclamation.

Mr. Warren (BOR) stated if the District chooses to enter into the Agreement with Reclamation the District would advance funding to Reclamation, who in turn will transfer the funding to USACE through an Interagency Agreement so that USACE can design and construct the pipeline and road crossing west of Tinker AFB. Please see document titled "Memorandum of Agreement between United States of American Department of the Interior Bureau of Reclamation and COMCD". Mr. Warren stated this is not instantaneous. Mr. Arthur stated the District has 120 days after award of contract to transfer the funds.

Mr. Arthur stated the expected date, as of now, for the USACE's contractor to begin construction is early spring of 2023. Funds would likely have to be transferred by July 2022.

Ms. Nairn requested Mr. Arthur investigate all options and in June or July have the subject on the agenda for consideration.

C.4. Discussion of the announcement by the Oklahoma Turnpike Authority of a proposed turnpike near Lake Thunderbird

Ms. Nairn stated on February 22, 2022, the Oklahoma Turnpike Authority announced an east/west proposed route near Indian Hills Road and thru Norman and a north, south route going near 80th Ave. Ms. Nairn stated the District did not have any knowledge regarding this until it became public. The District is in the fact-finding stage.

Mr. Arthur stated the official OTA website is accessoklahoma.com and encouraged Board members to visit the site. The Turnpike Authority is referring to the project as the "South Extension Turnpike".

Mr. Arthur stated the project intersects with BOR/District property in a few areas that are worth mentioning.

The following crosses over easements:

- Relift line at approximately 96th Avenue Northeast and East of Bethel Road
- Norman line at approximately Robinson Street and 80th Avenue Northeast

The following crosses BOR property:

- Between Franklin Road and Tecumseh Road to the north and south AND
Between 72nd Avenue Northeast and 84th Avenue Northeast to the west and east
- Between Lindsey Street and Highway 9 to the north and south AND
Between 72nd Avenue Southeast and 84th Avenue Southeast to the west and east

Mr. Dean expressed concern over a route that was seen on social media outlets that showed a proposed route actually going over Lake Thunderbird. He stated that the District should be opposed to such a route and should voice our opposition as soon as possible.

Discussion was held and it was decided to have Mr. Arthur draft a letter to the Oklahoma Turnpike Authority and present the draft letter for consideration at the next meeting.

D. Action: PURSUANT TO 82 OKLA. STATUTES, SECTION 541 (D) (10), THE BOARD OF DIRECTORS SHALL PERFORM OFFICIAL ACTIONS BY RESOLUTION AND ALL OFFICIAL ACTIONS INCLUDING FINAL PASSAGE AND ENACTMENT OF ALL RESOLUTIONS MUST BE APPROVED BY A MAJORITY OF THE BOARD OF DIRECTORS PRESENT, A QUORUM BEING PRESENT, AT A REGULAR OR SPECIAL MEETING. THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND APPROVED, DISAPPROVED, AMENDED, TABLED OR OTHER ACTION TAKEN:

D.5. Minutes of the regular board meeting held on Thursday, November 4, 2021, and corresponding Resolution

The minutes were reviewed and finding those in good order as presented, Roger Frech made a motion seconded by Jann Knotts to approve the Resolution.

Roll call vote:

President Amanda Nairn	Yes
Treasurer Jann Knotts	Yes
Secretary Michael Dean	Yes
Member William Janacek	Yes
Member Roger Frech	Yes
Member Kevin Anders	Absent
Member Dave Ballew	Absent

Motion Passed

Treasurer Knotts entertained postponing item D6 thru D9 to follow item D11. After hearing no objections, Ms. Nairn agreed and postponed item D6 thru D9 to follow item D11.

D.11. Annual audit report for fiscal year ended June 30, 2021, and corresponding Resolution

Mr. Tim Barnes and Mr. Chance Allison were present from Finley & Cook. Mr. Barnes presented the FY 2021 results to the Board. Mr. Barnes indicated that it was a clean audit, with no surprises, major adjustments, or problem areas. Please see document titled "Finley and Cook Financial Statements".

Finding the audit in good order as presented Michael Dean made a motion seconded by William Janacek to approve the Resolution.

Roll call vote:

President Amanda Nairn	Yes
Treasurer Jann Knotts	Yes
Secretary Michael Dean	Yes
Member William Janacek	Yes
Member Roger Frech	Yes
Member Kevin Anders	Absent
Member Dave Ballew	Absent

Motion Passed

D.6. Financial statements for operating accounts for October 2021, and corresponding Resolution

Treasurer Knotts pointed out this month the Del City Pipeline liability increased by \$42,514.58. Ms. Knotts called Mr. Arthur and received verification that some expenses still remain. Ms. Knotts stated a miscalculation was keyed into the profit and loss budget vs actual on the pumping power. The miscalculation will be corrected.

Finding the financial statements in good order otherwise as presented, Jann Knotts made a motion seconded by Michael Dean to approve the Resolution.

Roll call vote:

President Amanda Nairn	Yes
Treasurer Jann Knotts	Yes
Secretary Michael Dean	Yes
Member William Janacek	Yes
Member Roger Frech	Yes
Member Kevin Anders	Absent
Member Dave Ballew	Absent

Motion Passed

D.7. Financial statements for operating accounts for November 2021, and corresponding Resolution

Treasurer Knotts pointed out this month the Del City Pipeline liability increased by \$36,713.80.

The miscalculation of the pumping power on the profit and loss budget vs actual will need to be corrected.

Ms. Knotts explained that the interest earned varies from month-to-month and said it may be easier to have a fixed figure for purposes of cash flow planning. Mr. Arthur stated he will visit with the advisor.

Commented [KA2]: We probably need to rework and simplify this whole section.

Finding the financial statements in good order as presented, Michael Dean made a motion seconded by Roger Frech to approve the Resolution.

Roll call vote:

President Amanda Nairn	Yes
Treasurer Jann Knotts	Yes
Secretary Michael Dean	Yes
Member William Janacek	Yes
Member Roger Frech	Yes
Member Kevin Anders	Absent
Member Dave Ballew	Absent

Motion Passed

D.8. Financial statements for operating accounts for December 2021, and corresponding Resolution

Treasurer Knotts pointed out this month the Del City Pipeline liability increased by \$121,939.00.

A credit of \$11,630.53 is cost sharing funds from Bureau of Reclamation on the wetland project. The miscalculation of the pumping power on the profit and loss budget vs actual will need to be corrected.

Finding the financial statements in good order otherwise as presented, Jann Knotts made a motion seconded by Michael Dean to approve the Resolution.

Roll call vote:

President Amanda Nairn	Yes
Treasurer Jann Knotts	Yes
Secretary Michael Dean	Yes
Member William Janacek	Yes
Member Roger Frech	Yes
Member Kevin Anders	Absent
Member Dave Ballew	Absent

Motion Passed

D.9. Financial statements for operating accounts for January 2022, and corresponding Resolution

Treasurer Knotts pointed out this month the Del City Pipeline liability increased by \$16,552.55.

Ms. Knotts noted that she had a question about how interest on the Del City pipeline loan was being booked. She requested that staff confer with our bookkeeper to discuss the issue.

Roger Frech made a motion seconded by William Janacek to table this item.

Roll call vote:

President Amanda Nairn	Yes
Treasurer Jann Knotts	Yes
Secretary Michael Dean	Yes
Member William Janacek	Yes
Member Roger Frech	Yes
Member Kevin Anders	Absent
Member Dave Ballew	Absent

Motion Passed

D.10. Amendment of Intergovernmental Agreement between Central Oklahoma Master Conservancy District and the Oklahoma Water Resources Board to extend the end date of the Study of Internal Nutrient Loading in Lake Thunderbird from March 31, 2022, to December 31, 2022, and corresponding Resolution

Mr. Arthur explained this agreement is only requesting a time extension, not a monetary change. The original agreement was approved in August 2020. The amended Agreement would extend the expiration date of the Agreement from ending on March 31, 2022 to December 31, 2022. Please see document titled as above in the packet.

Michael Dean made a motion seconded by Roger Frech to approve the Resolution.

Roll call vote:

President Amanda Nairn	Yes
Treasurer Jann Knotts	Yes
Secretary Michael Dean	Yes
Member William Janacek	Yes
Member Roger Frech	Yes
Member Kevin Anders	Absent
Member Dave Ballew	Absent

Motion Passed

D.12. Districts' Purchasing Policy, and corresponding Resolution

Mr. Arthur reminded the Board that the proposed policy was a discussion item on the November 4, 2021 agenda. At that time, Mr. Hurt and Mr. Dean suggested language changes. Updated language was made to the sections on a purchasing threshold less than \$25,000 and the \$50,001 - \$100,000 threshold. Additionally, in Section 5 a sentence was added. Please see document titled "Purchasing Policy" in the packet.

Roger Frech made a motion seconded by Michael Dean to approve the Resolution.

Roll call vote:

President Amanda Nairn	Yes
Treasurer Jann Knotts	Yes
Secretary Michael Dean	Yes

Member William Janacek	Yes
Member Roger Frech	Yes
Member Kevin Anders	Absent
Member Dave Ballew	Absent

Motion Passed

E. Discussion

E.13. Legal Counsel’s Report

Nov. 4, 2021	Attend monthly meeting of board of directors at COMCD office
Dec. 20, 2021	Review draft Memorandum of Agreement between U.S. Bureau of Reclamation and COMCD relating to Del City pipeline extension and Tinker AFB
Jan. 19, 2022	Initiate review of American Rescue Plan Act to assess uses and purposes of funding that might be available for the COMCD and possible hurdles to comply with requirements
Jan. 24, 2022	Review requirements for appointment of new board member and initiate drafting of petition requesting appointment and draft order for filing with Cleveland County District Court
Jan. 25, 2022	Review email communication from Kyle concerning appointment process and possible requirement to wait until end of term before cities can nominate for appointment or reappointment
Jan. 26, 2022	Review recording of City of Midwest City city council meeting held on January 25 to confirm approval of appointment of Dr. Ballew to replace Casey Hurt
Jan. 26, 2022	Complete review of American Rescue Plan and Infrastructure Investment and Jobs Act and provide broad summaries and point out possible funding areas that might apply to COMCD to Kyle Arthur
Jan. 27, 2022	Complete drafting of petition requesting appointment of new board member and draft order for Judge Balkman, contact Midwest City Don Maisch about need to document city council’s approval, contact Judge Balkman’s clerk to schedule meeting with the judge to present draft order appointing Dr. Ballew, and coordinate with Kyle and Kelley concerning need for Kyle to sign verification to attach to petition
Jan. 27, 2022	Prepare Legal Counsel report and dispatch to Kelley Metcalf for inclusion in board packet
Jan. 28, 2022	File Petition requesting appointment of Dr. Ballew with Cleveland County District Court
Jan. 31, 2022	Obtain Judge Balkman’s signature on Order Appointing Dr. Ballew as member of COMCD board of directors
Feb. 7, 2022	Review email communication from Kyle Arthur about extending internal loading study agreement with Oklahoma Water Resources Board and respond
Feb. 18, 2022	Review request for ARPA funds and response to Kyle Arthur
Feb. 25, 2022	Prepare Legal Counsel report for March 3 monthly meeting

Mr. Arthur asked Mr. Couch if he had heard back from Judge Balkman on the Investment Policy ruling. Mr. Couch stated that he had not.

E.14. General Manager's Report

Please see document titled "Manager's Report" in the packet.

E.15. President's Report

Ms. Nairn stated that there is no Vice President currently, due to Mr. Hurt's departure. Election of Officers occurs every two years, this year being an election year. Typically, elections occur in the summer. Ms. Nairn asked the Board if they were okay with waiting. Hearing no objection, she said elections will be held later.

Ms. Nairn mentioned that on a recent hike near Clear Bay that she was very pleased with the cleanliness, new signage, and clean bathrooms. Ms. Nairn encouraged everyone to make a trip out there. Ms. Nairn emailed Susie Snider, at Parks and Recreation, and thanked her and staff for the wonderful positive experience.

E.16. New business (any matter not known prior to the meeting, and which could not have been reasonably foreseen prior to the posting of the agenda)
none

F. Adjourn

There being no further business, President Nairn adjourned the meeting at 9:05 P.M.