

File

**PIEDMONT CITY COUNCIL MEETING MINUTES  
GEORGE FINA MUNICIPAL BUILDING  
314 EDMOND ROAD NW  
MONDAY, April 23, 2012 – 6:30p.m.**

**MEMBERS PRESENT:**

Mayor Valerie Thomerson, Mayor Pro Tem  
Larry Gage, Councilman Vernon Woods,  
Councilman Wade Johnson, Councilman Jeff  
Davis

**ABSENT:**

Councilman Hoss Cooley, Councilman Jeff  
Davis

**STAFF PRESENT:**

City Manager Jim Crosby, City Clerk Jennifer  
Smith, City Attorney Michael Segler, Engineer  
Joe Davis, Community Development Director  
Arti Patel and Secretary Mary Ramsey

**1. CALL TO ORDER:**

Mayor Thomerson called the City Council meeting to order at 6:32P.M.

**2. ROLL CALL:**

City Clerk/Treasurer Jennifer Smith called the roll. There was a quorum present. There were approximately 60 citizens in the audience.

**3. FLAG SALUTE:**

Mr. Woodard

**4. INVOCATION:**

Donnie Robinson

**5. PRESENTATION OF PLAQUES FOR OUTGOING COUNCILMEN**

Councilman Hoss Cooley and Councilman Jeff Davis where not present.

**6. SWEARING IN OF INCOMING COUNCILMEN –**

Councilman Charles Coffman was sworn in by Mayor Valorie Thomerson.

Councilman Vernon Woods and Council Albert Giechman sworn in by Mayor Pro

Tem Larry Gage.

**7. MOTION TO RECESS TO WELCOME NEW COUNCILMEN**

Mayor Pro Tem Larry Gage made a motion to recess to welcome new councilmen. It was **seconded** by Wade Johnson.

**AYE:** Mayor Pro Tem Larry Gage, Councilman Charles Coffman, Councilman Vernon Woods, Councilman Albert Giechman and Councilman Wade Johnson

**NAYE:** None

New councilmen were welcomed with Cake and Punch shared with citizens.

**8. RECONVENE MEETING**

Mayor Pro Tem Larry Gage made a motion to reconvene meeting. It was **seconded** by Councilman Johnson

**The vote was:**

**AYE:** Mayor Pro Tem Larry Gage, Councilman Charles Coffman, Councilman Vernon Woods, Councilman Albert Giechman and Councilman Wade Johnson

**NAYE:** None

**9. CONSENT AGENDA – All items on the consent agenda are non-controversial and may be approved by one motion for items (TAB#1)**

Under the advice of City Attorney Michael Segler each item will be voted on separately since Councilman Charles Coffman and Councilman Albert Giechman were not seated on the Council at the time of these items.

- a. Approval of Minutes for the Special City Council meeting on March 13, 2012. (**TAB #2**).

Councilman Vernon Woods made a motion to approved Minutes for the Special City Council meeting on March 13<sup>th</sup>, 2012. It was **seconded** by Councilman Wade Johnson.

**The vote was:**

**AYE:** Mayor Pro Tem Larry Gage, Councilman Vernon Woods, and Councilman Wade Johnson

**Abstaining:** Councilman Charles Coffman and Albert Geichman

**NAYE:** None

- b. Approval of Minutes for the City Council meeting on March 26, 2012  
**(TAB # 3)**

Councilman Vernon Woods made a motion to approved Minutes for the City Council meeting on March 26<sup>th</sup>, 2012. It was **seconded** by Councilman Wade Johnson.

**The vote was:**

**AYE:** Councilman Vernon Woods, and Councilman Wade Johnson

**Abstaining:** Councilman Charles Coffman, Mayor Pro Tem Larry Gage and Albert Geichman

**NAYE:** None

- c. Approval of Purchase Order/Disbursements for the City (Claims List).  
**(TAB #4)**

Councilman Vernon Woods made a motion to approved Purchase/Disbursements for the City. It was **seconded** by Councilman Wade Johnson

Councilman Albert Geichman asked about line item 1201 behind tab #4, \$10,125.10 – sidewalks?

Jennifer Smith explained that the line item is a payment on the Safe Kids to School Program. This is a grant that the city is participating in and we will be reimbursed for the cost of the sidewalk.

City Manager Jim Crosby explained the location of the sidewalk in on Stout Street in front of the Library.

Councilman Albert Geichman asked about the \$100 to Yukon Auto Glass for Engine #1 for Windshield and then another item is showing \$328.56 for same description.

Fire Chief Andy offered to explain the expenses. The \$100 is for the labor to install the Windshield to Fire Engine #1 and \$328.56 is the payment for the purchase and shipping of the Windshield from California.

Councilman Albert Geichman asked about Capital Improvements – Safe Route to School - \$16,000. We have almost \$40,000 in sideways

Jennifer Smith explained that most of these expenses are part of a Grant the City participates in with ODOT. The city will be reimbursed for most of these expenses.

Councilman Albert Geichman continued with questions about the purchase of computers, \$764.00 and \$1,600 for computers.

City Manager Jim Crosby explained that the City Council approved the purchase of new computers for the City office and the Police Station.

Councilman Vernon Woods asked when the City would receive payment back on the sidewalk expenses.

Jennifer Smith explained that the City has received payment on most of Phase 1 of the program and now the City is beginning work on Phase 2. We have not received and money back on Phase 2.

**The vote was:**

**AYE:** Councilman Vernon Woods, Councilman Wade Johnson, Councilman Charles Coffman, Councilman Albert Geichman, and Mayor Pro Tem Larry Gage.

**NAYE:** None

d. Receipt of March Financial Statements. **(TAB #5)**

Councilman Vernon Woods made a motion to approved Financial Statements. **Seconded** by Councilman Wade Johnson.

**The vote was:**

**AYE:** Councilman Vernon Woods, Councilman Wade Johnson, Councilman Charles Coffman, Councilman Albert Geichman, and Mayor Pro Tem Larry Gage.

**NAYE:** None

**10. CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT AGENDA.**

Item skipped by Mayor since the above items were voted on one at a time.

**11. HEARING OF CITIZENS - Topics to include those items *not listed in the agenda.* (TAB #6) -**

No items brought forward by citizens.

**12. BUSINESS ITEMS –**

- a. **MOTION TO ALLOW JEFF WILLIAMS TO ADDRESS COUNCIL TO PRESENT A PROPOSAL TO RESOLVE PROBLEMS WITH THE AMMENDED ECONOMIC DEVELOPMENT AND INVESTMENTS AGREEMENT. (TAB #7)**

Mayor Pro Tem Larry Gage made a motion to approve this item. It was **seconded** by Councilman Charles Coffman

Jeff Williams clarified that the council may not discuss or ask questions. Mayor said yes.

Since there has change over in the City Council Jeff Williams is offering a different proposal to help bring this issue to closer. There is currently a proposal out there but he would like to offer a 2<sup>nd</sup> option. He feels it is a better option for the city. He is willing to bite the bullet; the grocery store is doing incredible.

Jeff Williams would like to propose, no interest .03, 15 year fixed agreement. Also he is willing to by pass the more then 1 year back pay due to him since April if the City Council agrees to pay his attorney fee.

Jeff Williams explained this offer will save the City money, he does not feel he has done anything wrong and would like to move forward with an agreement. Back pay is negotiable; if we would have gone to Court someone would have had to pay attorney fees anyway.

Advantage would be that the City would save on Back pay, end date, not interest, set amount paid each month. The other agreement would have the City paying out for 18 to 23 years.

Only disadvantage is instead of paying .275 cents the City would now pay .3 cents

Mayor explained that the Council is excited to discuss item. They will work as quickly as possible to get a meeting scheduled to discuss.

Mayor Pro Tem asked City Manager Jim Crosby for his feelings on this offer. Jim Crosby feels it is an excellent offer. He has spoken directly with Jeff Williams and with some of the other offers out there the City would pay well over a million dollars in interest. He also feels that this issue has been out there a long time and the Council needs to work at getting it resolved.

Councilman Charles Coffman asked City Manager Jim Crosby if questions can be written down and discussed with Jeff Williams at a later time. City Manager explained that we can make a time for questions to ask with City Attorney present.

**B. CONSIDERATION, AND ACTION ON RESOLUTION 4-23-12A. A RESOLUTION OF THE CITY OF PIEDMONT APPROVING AND ADOPTION PLAN DOCUMENT FOR SECURITY BENEFIT 457 DEFERRED COMPENSATION PLAN; ESTABLISHING FUNDING ACCOUNTS WITH SECURITY BENEFIT FOR RECEIPT OF INVESTMENT CONTRIBUTIONS; AND THE AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE PLAN DOCUMENTS AND TAKE FURTHER ACTION AS NECESSARY AND APPROPRIATE TO IMPLEMENT THE PLAN. (TAB #8).**

City Manager Jim Crosby explained this is a 451 plan for employees to invest in for retirement. Any employee can invest in if they so chose it is not attach to anyone person.

Councilman Woods asked if this plan involves any specific dollar amounts, it only designates a new investment tool. City Manager Jim Crosby explained it does not have anything to specific dollar amounts.

Councilman Vernon Woods made a motion to approve. **Seconded** by Mayor Pro Tem Larry Gage.

**The vote was:**

**AYE:** Councilman Vernon Woods, Councilman Wade Johnson, Councilman Charles Coffman, Councilman Albert Geichman, and Mayor Pro Tem Larry Gage.

**NAYE:** None

**C. CONSIDERATION, DISCUSSION AND ACTION ON APPROVAL OF THE 2010-2011 AUDIT PRESENTED BY LONNIE HEIM OF HBC CPA'S ADVISORS. (TAB #9).**

City Manager introduced Lonnie Hiem.

Lonnie Heim presented financial report for year end June 30, 2011. Referred Council to page 3 of the report and then onto paragraph 3 where the independent auditor reports all financial statements present fairly of the material and financial activity of the City of Piedmont.

Continued onto Page 5-11 of the report as a reference point of good summary information. Stating these pages has great summary information where all of the information is brought together in comparisons from one year to another.

Page 10, Other Fund Highlights include:

General fund had a decrease by \$1112. Capital Improvement Fund had an increase of \$68,000 or 7%, Municipal Authority had an increase of net asset of \$16,598. This is the summary of operating activity for entire year.

Page 40, is presentation of budget basis of General fund and other Special revenue funds. Page 43 is expenditure of State or Federal Fund. City had 2 major programs that they participate in, FEMA due to storm damage and the other is OWRB fund for infrastructure.

Both fund were audited and no finding were found. Both funds had no material weaknesses and are in compliances with grant and federal government requirements

Page 51 is the summary of audit results.

Lonnie Heim then open the discussion up for questions.

Mayor Valerie Thomerson asked about page 51, last line. The Authority do not qualify as a "Low Risk" audite?

Lonnie Heim explained that this is explaining how much work has to be done by the auditing firm. Since the City of Piedmont had 2 major Federal programs, it did not qualify as a low risk audit.

Council Charles Coffman explained that there has been some letters going around town that the City of Piedmont is broke, he asked if Lonnie Hiem could speak to the financial soundness of the city.

Lonnie Hiem explained that the numbers bear out where the city is, he referred back to page 40 the budgetary statement. The 3<sup>rd</sup> column is actually where the city is in comparison to the general fund. The city did get into its reserves by about \$112, 0000 but you still have \$678,000. When we analysis things we look at reserves as part of a % of your revenue. Anytime we see anything for 10-15% we feel like that is the minimum. The City of Piedmonts reserves are going about 30% in the general fund.

City Manager Jim Crosby stated that the City is not broke.

Mayor Pro Tem Larry Gage stated that the City spent more money then it brought in last year by about \$112,000

City Manager Jim Crosby explained that the city did spend more then it brought it because it ran into a few different challenges last year with the Federal Programs where the City had to be reimbursed. This year we had some cash flow issues from the Federal programs and the Sidewalk program. The budget that has been presented to the council for the next year is on a cash flow basis and does not touch reserves and will begin to build them.

We are in good shape for next year and not broke.

Mayor Pro Tem Larry Gage explained that in his house we look at how much came in and how much went out and when he sees an account with 30% less money that is a concern. We ever need to bring more in or spend less. Things happen so the reserves need to be built back up. I do not think the sky is falling.

City Manager Jim Crosby explained that Cities all around Piedmont experienced similar type of budget challenges.

Councilman Albert Giechman asked about the language on page 47? It states that there is a deficiency exist in the internal control.

Lonnie Hiem explained that paragraph is defining what a deficiency and an internal control is. There are 3 levels that we are bond to on reporting.

- Deficiency in internal control
- Significant deficiency
- Material Weakness

This paragraph and wording is what we are bond to by our profession.

Councilman Albert Giechman is bothered by this language is appears that the audit is not qualified.

Lonnie Hiem offered to come back and answer any questions.

Councilman Vernon Woods asked does it typical take this long for an audit.

Lonnie Hiem explained that it typically takes 4 to 6 months.

Councilman Vernon Woods commented on reserve balance that it is not Lonnie Hiem job to determine if we have enough money; it is his job to make sure we were counting the money correctly. This time last year our account Frank Crawford stated that we had about at 30% fund balance and in his opinion we were in great shape. We were one of the best in the State, these numbers prove that, the numbers don't lie and we are in great shape.

Mayor Pro Tem Larry Gage made a motion to approve. **Seconded** by Albert Geichman.

**The vote was:**

**AYE:** Councilman Vernon Woods, Councilman Wade Johnson, Councilman Charles Coffman, Councilman Albert Geichman, and Mayor Pro Tem Larry Gage.

**NAYE:** None

**D. CONSIDERATION, DISCUSSION AND ACTION ON APPROVAL ON AN ORDINANCE AMENDING THE CITY OF PIEDMONT 2020 COMPREHENSIVE PLAN LAND USE MAP FROM THE PROPOSED FUTURE AGRICULTURAL AND LOW DENSITY RESIDENTIAL TO PROPOSED LOW DENISITY RESIDENTIAL ZONING LAND USE AND REZONE THE PROPERTY FROM A-1 GENERAL AGRICULTURE TO RE-1 RURAL ESTATE LOCATED APPROZIMATELY 880 FT WEST OF COUNTYLINE ROAD AND NORTH OF ARROWHEAD ROAD AND CONTAINS APPROXIMATELY 2.03 ARCRES, MORE SPECIFICALLY DESCRIBDED HEREIN BEING A TRACT OF LAND IN THE SOUTHEAST QUARTER (SE/4), SECTION 24, TOWNSHIP 14 NORTH, RANGE 5 WEST, I.M. PIEDMONT, CANADIAN COUNTY, OKLAHOMA; PROVIDING FOR REPEALER AND SEVERABILITY; AND DECLARING AN EMERGENCY. (TAB #10).**

Councilman Vernon Woods made a motion to approved. **Seconded** by Wade Johnson.

Mayor Pro Tem Larry Gage asked Arti Patel to explain.

Community Development Director Arti Patel explained that this is Mr. and Mrs Bradshaw and they would like to do a lot split but because it does not meeting the zoning criteria we are requiring them to 1<sup>st</sup> do a rezoning and then we will go back and do the lot split.

This is so we don't have something out in the middle of no where without the correct zoning.

**The vote was:**

**AYE:** Councilman Vernon Woods, Councilman Wade Johnson, Councilman Charles Coffman, Councilman Albert Geichman, and Mayor Pro Tem Larry Gage.

**NAYE:** None

**E. MOTION ON EMERGENCY CLAUSE**

Councilman Wade Johnson made a motion to approve. **Seconded** by Councilman Charles Coffman.

**The vote was:**

**AYE:** Councilman Vernon Woods, Councilman Wade Johnson, Councilman Charles Coffman, Councilman Albert Geichman, and Mayor Pro Tem Larry Gage.

**NAYE:** None

**13. PIEDMONT MUNICIPAL AUTHORITY (TAB #12)**

Mayor Valerie Thomerson asked for motion to adjourn and move onto PMA meeting and will come back for New Business and Councilman comments.

Councilman Wade Johnson made a motion to approve. **Seconded** by Councilman Vernon Woods.

**The vote was:**

**AYE:** Councilman Vernon Woods, Councilman Wade Johnson, Councilman Charles Coffman, Councilman Albert Geichman, and Mayor Pro Tem Larry Gage.

**NAYE:** None

**14. NEW BUSINESS**

**a. Unplanned Items – Requires 4/5<sup>th</sup> Majority to Declare “New Business.” (TAB #11)**

Councilman Wade Johnson made a motion to discuss Tornado sirens on the west side of town. **Seconded** by Councilman Larry Gage.

Councilman Wade Johnson opened up for discussion about citizens who live on the west side of town cannot hear tornado sirens.

City Manager Jim Crosby discussed use of the CTY system to alert citizens of storms coming. Also the council will soon be presented with a bond issue to help replace older sirens and new sirens that have a range of 5700 feet.

CTY will be handled by the fire department. Citizens may not like late night calls.

Mayor Pro Tem Larry Gage is in favor of a long term solution, short term solutions often we end up with egg on our face. Would like to see sirens fixed and we have a long term solution in place.

City Manager Jim Crosby feels CTY is a good way to handle the situation.

Councilman Vernon Woods explained that he would the CTY to wake up citizen and tell them to get more information. It is a wake up call not communicating that the tornado is here. We need to alert people that weather is coming. It is up to each citizen individually to keep themselves informed. People need to use weather radios to keep themselves informed.

Mayor Valeri Thomerson agreed the weather radios are a good idea.

**The vote was:**

**AYE:** Councilman Vernon Woods, Councilman Wade Johnson, Councilman Charles Coffman, Councilman Albert Geichman, and Mayor Pro Tem Larry Gage.

**NAYE:** None

**15. PIEDMONT MUNICIPAL AUTHORITY (TAB #12)**

**MOTION  
TO ADJOURN AND RECONVENE TO REULAR CITY COUNCIL  
MEETING.**

Trustee Larry Gage made a motion to Reconvene. **Seconded** by Councilman Albert Geichman.

**AYE:** Councilman Vernon Woods, Councilman Wade Johnson, Councilman Charles Coffman, Councilman Albert Geichman, and Mayor Pro Tem Larry Gage.

**NAYE:** None

**16. COUNCILMEMBER COMMENTS**

- a. Councilman Larry Gage Welcome to new Councilmen, be sure to share your opinion ask your questions, .
- b. Councilman Vernon Woods – support group for wives and welcome to new Councilmen
- c. Councilman Wade Johnson – Road work on 164<sup>th</sup>, and sign request made by Lisa –dead end sign, City Manager Jim Crosby explained that sign has been ordered
- d. Councilman Albert Geichman, no comments
- e. Councilman Charles Coffman, Glad to be on the Council.

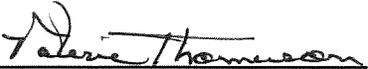
**17. ADJOURN**

Councilman Larry Gage made a motion to Adjourn. **Seconded** by Councilman Albert Geichman.

**AYE:** Councilman Vernon Woods, Councilman Wade Johnson, Councilman Charles Coffman, Councilman Albert Geichman, and Mayor Pro Tem Larry Gage.

**NAYE:** None

**Meeting Adjourn at 7:56**

  
**Mayor, Valerie Thomerson**

  
**Mary Ramsey, Secretary**