



McAlester City Council

NOTICE OF MEETING

Regular Meeting Agenda

Tuesday, July 9, 2013 – 6:00 pm

McAlester City Hall – Council Chambers
28 E. Washington

Steve Harrison	Mayor
Weldon Smith	Ward One
John Titsworth	Ward Two
Travis Read	Ward Three
Robert Karr	Ward Four
Buddy Garvin	Ward Five
Sam Mason, Vice Mayor	Ward Six
Peter J. Stasiak	City Manager
William J. Ervin	City Attorney
Cora M. Middleton	City Clerk

This agenda has been posted at the McAlester City Hall, distributed to the appropriate news media, and posted on the City website: www.cityofmcalester.com within the required time frame.

The Mayor and City Council request that all cell phones and pagers be turned off or set to vibrate. Members of the audience are requested to step outside the Council Chambers to respond to a page or to conduct a phone conversation.

The McAlester City Hall is wheelchair accessible. Sign interpretation or other special assistance for disabled attendees must be requested 48 hours in advance by contacting the City Clerk's Office at 918.423.9300, Extension 4956.

CALL TO ORDER

Announce the presence of a Quorum.

INVOCATION & PLEDGE OF ALLEGIANCE

Pastor Stephanie Swinnea, All Saints Episcopal Church

ROLL CALL

CITIZENS COMMENTS ON NON-AGENDA ITEMS

Residents may address Council regarding an item that is not listed on the Agenda. Residents must provide their name and address. Council requests that comments be limited to five (5) minutes.

CONSENT AGENDA

All matters listed under the Consent Agenda are considered to be routine by the City Council and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

- A. Approval of the Minutes from the June 11, 2013 Regular Meeting of the McAlester City Council. *(Cora Middleton, City Clerk)*
- B. Approval of the Minutes from the June 20, 2013 Special Meeting of the McAlester City Council. *(Cora Middleton, City Clerk)*
- C. Approval of Claims for June 19, 2013 to July 2, 2013. *(Toni Ervin, Chief Financial Officer)*
- D. Tabled from Previous Meeting – Consider, and act upon, authorizing the Mayor to sign a contract between the City of McAlester and the Oklahomans for Independent Living. *(Peter J. Stasiak, City Manager)*
- E. Ratify and approve a one-year term Participating Entity Addendum between Blackboard Connect Inc. and City of McAlester, OK – Pittsburg County OK E911 that provides a fully hosted alert notification system for emergency notifications. *(Peter J. Stasiak, City Manager)*
- F. Consider, and act upon, a Ratification of Lease Purchase between the First National Bank & Trust Company and the City of McAlester for a 2011 Freightliner m2106 33000#GVW Truck chassis IN: 1FVACYBS1BDAY3398 with any and all equipment, accessories and attachments to said vehicle; One new DuraPatcher Truck Mounted Style Spray Injection Road Repair Machine; and One new DuraPatcher 6,000 gal. Gravity Feed Vertical Emulsion Storage Tank. *(Toni Ervin, Chief Financial Officer)*
- G. Concur with Mayor's Appointment of Karen Kinhead, 2828 Peaceable Rd to the McAlester Library Board for a term to expire June, 2016. *(Steve Harrison, Mayor)*
- H. Consider, and act upon, the Collective Bargaining Agreement between the City of McAlester and the International Association of Fire Fighters (IAFF) Local No. 2284, effective July 1, 2013 through June 30, 2014. *(Peter J. Stasiak, City Manager)*
- I. Consider, and act upon, the Collective Bargaining Agreement between the City of McAlester and the Fraternal Order of Police, Lodge 97, effective July 1, 2013 through June 30, 2014. *(Peter J. Stasiak, City Manager)*
- J. Consider, and act upon, an Adoption Agreement between American Fidelity Assurance Company and the City of McAlester for Administrative Services for the Section 125 Cafeteria Plan. *(Toni Ervin, Chief Financial Officer)*

ITEMS REMOVED FROM CONSENT AGENDA

PUBLIC HEARING

All persons interested in any ordinance listed under Scheduled Business shall have an opportunity to be heard in accordance with Article 2, Section 2.12(b) of the City Charter.

- **AN ORDINANCE TO VACATE (CLOSE) A SEWER EASEMENT IN THE FOLLOWING LOCATION: LOTS 4, 5, AND 6, IN BLOCK 19, CITY OF MCALESTER, FORMERLY SOUTH MCALESTER, PITTSBURG COUNTY, STATE OF OKLAHOMA.**
- **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCALESTER, OKLAHOMA, AMENDING THE CODE OF ORDINANCES, CHAPTER 62, SECTION 246. DESIGNATION OF THE FLOODPLANE ADMINISTRATOR, REPEALING ALL CONFLICTING ORDINANCES; AND DECLARING AN EMERGENCY.**

SCHEDULED BUSINESS

1. Discussion and request from Ms. Janell Brooks regarding rezoning at 804 E. Monroe. *(Peter J. Stasiak, City Manager)*

Executive Summary
For discussion only.

2. Presentation and discussion of Public Private Partnership opportunity for the Operation and Maintenance of the City of McAlester's Water Treatment Plant. *(John C. Modzelewski, P.E., CFM, City Engineer and Public Works Directors)*

Executive Summary
Discussion, and possible action, to authorize staff to proceed with Request for Qualifications to pursue a Public Private Partnership opportunity for the Operation and Maintenance of the City of McAlester's Water Treatment Plant.

3. Consider, and act upon, authorizing the Mayor to sign the Proposed Award from the Oklahoma Office of Homeland Security - 2010 Homeland Security Grant Program; Orae Project; #260.113 in the amount of \$2,498.64. *(Brett Brewer, Fire Chief)*

Executive Summary
Motion to approve 2010 Homeland Security Grant Program; Orae Project; #260.113 in the amount of \$2,498.64.

4. Consider and act upon, a "Use Permitted After Review" for medical, office, and retail use. *(Peter J. Stasiak, City Manager)*

Executive Summary
Motion to approve and act upon a "Use Permitted After Review" for medical, office, and retail use and authorizing the Mayor to sign the documents.

5. Consider and act upon, the closing of a sewer easement in the following location: Lots 4, 5, and 6, in Block 19, City of McAlester, formerly South McAlester, Pittsburg County, State of Oklahoma. *(Peter J. Stasiak, City Manager)*

Executive Summary

Motion to approve and act upon the closing of a sewer easement in the following location: Lots 4, 5, and 6, in Block 19, City of McAlester, formerly South McAlester, Pittsburg County, State of Oklahoma and authorizing the Mayor to sign the attached Ordinance.

6. Consider and act upon, Re-Plat of Block 19, Lots 4, 5, and 6. *(Peter J. Stasiak, City Manager)*

Executive Summary

Motion to approve the Re-Plat of Block 19, Lots 4, 5, and 6 and authorize the Mayor to sign the documents.

7. Consider, and act upon, a "Pledge and Guarantee" document which authorizes the annual renewal of the City of McAlester's Participation Agreement with the Association for Landfill Financial Assurance (ALFA). *(John C. Modzelewski, P.E., CFM, City Engineer and Public Works Directors)*

Executive Summary

Motion to approve the "Pledge and Guarantee" document and authorize the Mayor to sign after review and approval by City Attorney's Office.

8. Consider, and act upon, amending Chapter 62, Land Development Code, Article V, Zoning, Division 4, Flood Hazard Overlay District and Flood Damage Prevention, Section 62-246, Designation of floodplain administrator. *(John C. Modzelewski, P.E., CFM, City Engineer and Public Works Directors)*

Executive Summary

Motion to approve the Land Development Code, as amended, and declaring an emergency.

9. Consider, and act upon, authorizing the mayor to sign an Engagement Letter with Cole & Reed, P.C. for audit services for the fiscal year ending June 30, 2014. *(Toni Ervin, Chief Financial Officer)*

Executive Summary

Motion to authorize the Mayor to sign an Engagement Letter with Cole & Reed, P.C.

10. Consider, and act upon, a Work Order for Professional Services with Mehlburger Brawley for engineering services required for the design of the 2013 Community Development Block Grant (CDBG) Small Cities Water Improvements. *(John C. Modzelewski, P.E., CFM, City Engineer and Public Works Directors)*

Executive Summary

Motion to approve and authorize the Mayor to sign the Work Order for Professional Services for Mehlburger Brawley for Professional Engineering Services to complete work required for the 2013 Community Development Block Grant (CDBG) Small Cities Water Improvements upon review and approval of the City Attorney's office. Estimated fee for Professional Services including Engineering and Inspection is \$20,349.

11. Consider, and act upon, Final and Contractor's Pay Estimate No. 2 – Final for the Taylor Industrial Park 8-Inch Main Water Improvements Project resulting in a final contract amount of \$150,130.00. (*John C. Modzelewski, P.E., CFM, City Engineer and Public Works Directors*)

Executive Summary

Motion to approve final payment for the Taylor Industrial Park 8-Inch Main Water Improvements Project to R & M Utilities, Inc. of Prague, Oklahoma and authorization for the Mayor to sign the Final Application of Payment.

NEW BUSINESS

Any matter not known or which could not have been reasonably foreseen prior to the time of posting the Agenda in accordance with Sec. 311.9, Title 25, Oklahoma State Statutes.

CITY MANAGER'S REPORT (Peter J. Stasiak)

- Report on activities for the past two weeks.

REMARKS AND INQUIRIES BY CITY COUNCIL**MAYORS COMMENTS AND COMMITTEE APPOINTMENTS****RECESS COUNCIL MEETING****CONVENE AS McALESTER AIRPORT AUTHORITY**

Majority of a Quorum required for approval

- Approval of the Minutes from the June 25, 2013 Regular Meeting of the McAlester Airport Authority. (*Cora Middleton, City Clerk*)
- Confirm action taken on City Council Agenda Item C, regarding claims ending July 2, 2013. (*Toni Ervin, Chief Financial Officer*)
- Confirm action taken on City Council Agenda Item E, Ratify and approve a one-year term Participating Entity Addendum between Blackboard Connect Inc. and City of McAlester, OK – Pittsburg County OK E911 that provides a fully hosted alert notification system for emergency notifications. (*Peter J. Stasiak, City Manager*)
- Confirm action taken on City Council Agenda Item J, an Adoption Agreement between American Fidelity Assurance Company and the City of McAlester for Administrative Services for the Section 125 Cafeteria Plan. (*Toni Ervin, Chief Financial Officer*)

- Confirm action taken on City Council Agenda Item 2, authorizing the mayor to sign an Engagement Letter with Cole & Reed, P.C. for audit services for the fiscal year ending June 30, 2014. *(Toni Ervin, Chief Financial Officer)*

ADJOURN MAA

CONVENE AS McALESTER PUBLIC WORKS AUTHORITY

Majority of a Quorum required for approval

- Approval of the Minutes from the June 25, 2013 Regular Meeting of the McAlester Public Works Authority *(Cora Middleton, City Clerk)*
- Confirm action taken on City Council Agenda Item C, regarding claims ending July 2, 2013. *(Toni Ervin, Chief Financial Officer)*
- Confirm action taken on City Council Agenda Item E, Ratify and approve a one-year term Participating Entity Addendum between Blackboard Connect Inc. and City of McAlester, OK – Pittsburg County OK E911 that provides a fully hosted alert notification system for emergency notifications. *(Peter J. Stasiak, City Manager)*
- Confirm action taken on City Council Agenda Item F, a Ratification of Lease Purchase between the First National Bank & Trust Company and the City of McAlester for a 2011 Freightliner m2106 33000#GVW Truck chassis IN: 1FVACYBS1BDAY3398 with any and all equipment, accessories and attachments to said vehicle; One new DuraPatcher Truck Mounted Style Spray Injection Road Repair Machine; and One new DuraPatcher 6,000 gal. Gravity Feed Vertical Emulsion Storage Tank. *(Toni Ervin, Chief Financial Officer)*
- Confirm action taken on City Council Agenda Item J, an Adoption Agreement between American Fidelity Assurance Company and the City of McAlester for Administrative Services for the Section 125 Cafeteria Plan. *(Toni Ervin, Chief Financial Officer)*
- Confirm action taken on City Council Agenda Item 2, of Public Private Partnership opportunity for the Operation and Maintenance of the City of McAlester's Water Treatment Plant. *(John C. Modzelewski, P.E., CFM, City Engineer and Public Works Directors)*
- Confirm action taken on City Council Agenda Item 4, a "Use Permitted After Review" for medical, office, and retail use. *(Peter J. Stasiak, City Manager)*
- Confirm action taken on City Council Agenda Item 5, the closing of a sewer easement in the following location: Lots 4, 5, and 6, in Block 19, City of McAlester, formerly South McAlester, Pittsburg County, State of Oklahoma. *(Peter J. Stasiak, City Manager)*

- Confirm action taken on City Council Agenda Item 6, Re-Plat of Block 19, Lots 4, 5, and 6. *(Peter J. Stasiak, City Manager)*
- Confirm action taken on City Council Agenda Item 7, a "Pledge and Guarantee" document which authorizes the annual renewal of the City of McAlester's Participation Agreement with the Association for Landfill Financial Assurance (ALFA). *(John C. Modzelewski, P.E., CFM, City Engineer and Public Works Directors)*
- Confirm action taken on City Council Agenda Item 8, amending Chapter 62, Land Development Code, Article V, Zoning, Division 4, Flood Hazard Overlay District and Flood Damage Prevention, Section 62-246, Designation of floodplain administrator. *(John C. Modzelewski, P.E., CFM, City Engineer and Public Works Directors)*
- Confirm action taken on City Council Agenda Item 9, authorizing the mayor to sign an Engagement Letter with Cole & Reed, P.C. for audit services for the fiscal year ending June 30, 2014. *(Toni Ervin, Chief Financial Officer)*
- Confirm action taken on City Council Agenda Item 10, a Work Order for Professional Services with Mehlburger Brawley for engineering services required for the design of the 2013 Community Development Block Grant (CDBG) Small Cities Water Improvements. *(John C. Modzelewski, P.E., CFM, City Engineer and Public Works Directors)*
- Confirm action taken on City Council Agenda Item 11, Final and Contractor's Pay Estimate No. 2 – Final for the Taylor Industrial Park 8-Inch Main Water Improvements Project resulting in a final contract amount of \$150,130.00. *(John C. Modzelewski, P.E., CFM, City Engineer and Public Works Directors)*

ADJOURN MPWA

RECONVENE COUNCIL MEETING

ADJOURNMENT

CERTIFICATION

I certify that this Notice of Meeting was posted on this _____ day of _____ 2013 at _____ a.m./p.m. as required by law in accordance with Section 303 of the Oklahoma Statutes and that the appropriate news media was contacted. As a courtesy, this agenda is also posted on the City of McAlester website: www.cityofmcalester.com.

Cora M. Middleton, City Clerk

The McAlester City Council met in Regular session on Tuesday, June 11, 2013, at 6:00 P.M. after proper notice and agenda was posted, June 7, 2013, at 9:15 A.M.

Call to Order

Mayor Harrison called the meeting to order.

Stephanie Swinnea, Pastor, All Saints Episcopal Church gave the invocation and led the Pledge of Allegiance.

Roll Call

Council Roll Call was as follows:

Present: Weldon Smith, John Titsworth, Travis Read, Robert Karr, Buddy Garvin & Steve Harrison

Absent: Sam Mason

Presiding: Steve Harrison, Mayor

Staff Present: Peter J. Stasiak, City Manager; John Modzelewski, City Engineer/Public Works Director; David Medley, Utilities Director; Toni Ervin, Chief Financial Officer; Mel Priddy, Community Services Director; William J. Ervin, City Attorney and Cora Middleton, City Clerk

Citizen's Comments on Non-agenda Items

Ginny Webb Executive Director of McAlester Main Street informed the Council that the Old Town and Down Town Street banners were in and would be up soon.

Stephanie Giacomo Executive Director of Pride in McAlester announced that the June community volunteer day was coming up this Saturday and Pride In McAlester had received four (4) recycling bins from Keep America Beautiful and Coca-Cola. She added that the bins had been placed in Chadick Park, Rotary Park and Komar Park.

Consent Agenda

- A. Approval of the Minutes from the May 21, 2013 Special Meeting of the McAlester City Council. *(Cora Middleton, City Clerk)*
- B. Approval of Claims for May 22, 2013 to June 4, 2013. *(Toni Ervin, Chief Financial Officer)* In the following amounts: General Fund - \$87,474.54; Nutrition - \$824.58; Landfill Res./Sub-title D - \$22,699.76; Tourism Fund - \$3,666.67; SE Expo Center -

\$4,418.06; E-911 - \$514.38; Economic Development - \$29,513.93; CDBG Grant Fund - \$7,017.00; Fleet Maintenance - \$7,028.25; Workers' Compensation - \$941.68; CIP Fund - \$8,727.84 and Federal Forfeiture Fund - \$1,193.46.

- C. Concur with Oklahoma Municipal Assurance Group recommendation to deny Claim No.33460-TW. *(Cora Middleton, City Clerk)*
- D. Consider and act upon, authorizing the Mayor to sign a contract between the City of McAlester and the Oklahomans for Independent Living. *(Peter J. Stasiak, City Manager)*
- E. Consider and act upon, a request from the Pittsburg County Regional Expo Authority for funding in the amount of \$9,000. *(Peter J. Stasiak, City Manager)*
- F. Consider and act upon, authorizing the Mayor to sign a contract between the City of McAlester and Main Street Association. *(Peter J. Stasiak, City Manager)*
- G. Consider and act upon, authorizing the Mayor to sign a contract between the City of McAlester and Pride-in-McAlester. *(Peter J. Stasiak, City Manager)*
- H. Discussion and possible action, a funding request of \$18,000 for the Old Town Association 17th Wild West Festival, October 5, 2013. *(Old Town Association, Eddie Gray/Councilman Buddy Garvin)*
- I. Consider and act upon, authorizing the Mayor to sign a City County Agreement for a Joint Civil Defense/Emergency Management Administration between the Board of County Commissioners of Pittsburg County of Oklahoma and the City of McAlester. *(Peter J. Stasiak, City Manager)*
- J. Consider and act upon, authorizing the Mayor to sign a contract between the City of McAlester Public Works Project and the Oklahoma Department of Corrections (Prisoners Public Works). *(Peter J. Stasiak, City Manager)*
- K. Consider and act upon, authorizing the Mayor to sign an Equipment Maintenance Agreement between the City of McAlester and BizTel Business Telephone Systems for July 1, 2013 through June 30, 2014. (No increase in service rates – same as last year.) *(James Stanford, IT Computer Specialist and Peter J. Stasiak, City Manager)*
- L. Consider and act upon, a one year agreement between the Public Finance Law Group and the City of McAlester, Oklahoma to engage as bond counsel for the purposes of consultation on any contemplated financing which the City or the Authority may undertake. *(Peter J. Stasiak, City Manager)*
- M. Ratify and approve an agreement between Municipal Finance Services, Inc. and the City of McAlester to render financial consulting services to the Mayor, City Council and Staff on certain financial matters. *(Peter J. Stasiak, City Manager)*

- N. Consider and act upon, authorizing the Mayor to sign a Resolution extending Healthcare Coverage with Oklahoma Public Employees Health & Wellness in the amount of \$469.10/per full time regular employee for a period of July 1, 2013 through June 30, 2014, and appointing a member of the City Council to the OPEH&W Plan Board. *(Pamela Kirby, Human Resources Manager & Peter J. Stasiak, City Manager)*
- O. Ratify and approve application with for a dental insurance plan for all full time regular employees with **Guardian** for the period of July 1, 2013 through June 30, 2014. *(Pamela Kirby, Human Resources Manager)*
- P. Ratify and approve application with **Superior Vision Services, Inc.** for vision care for full time regular employee for a period of July 1, 2013 through June 30, 2014. *(Pamela Kirby, Human Resources Manager)*
- Q. Ratify and approve application and participation agreement with **Lincoln National Life Insurance Company** for Life Insurance and Long Term Disability Insurance for full time regular employee for a period of July 1, 2013 through June 30, 2014. *(Pamela Kirby, Human Resources Manager)*
- R. Consider and act upon, authorizing the Mayor to sign a Letter of Agreement between the Oklahoma Tobacco Settlement Endowment Trust and City of McAlester for grant funds received from the Oklahoma Tobacco Settlement Endowment Trust Fund (TSET), through the Healthy Communities Incentive Grant Program. *(Pamela Kirby, Human Resources Manager)*
- S. Consider, and act upon, a one (1) year Agreement between the City of McAlester and McAlester Regional Health Center Authority (MRHC) for services of MRHC's Wellness Center Facility for City Employees *(Pamela Kirby, Human Resources Manager)*

Councilman Read requested that items "D, E, F, G, and I" be removed for discussion.

Councilman Karr requested that item "C" be removed for discussion and Councilman Titsworth requested that item "H" be removed for discussion.

Manager Stasiak asked that item "R" be pulled for discussion and Mayor Harrison requested that item "B" be removed for individual consideration.

A motion was made by Councilman Read and seconded by Councilman Titsworth to approve the Consent Agenda items "A, J, K, L, M, N, O, P, Q and S". There was no discussion and the vote was taken as follows:

AYE: Councilman Read, Titsworth, Smith, Karr, Garvin & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried.

Items Removed from the Consent Agenda

- B. Approval of Claims for May 22, 2013 to June 4, 2013. (*Toni Ervin, Chief Financial Officer*) In the following amounts: General Fund - \$87,474.54; Nutrition - \$824.58; Landfill Res./Sub-title D - \$22,699.76; Tourism Fund - \$3,666.67; SE Expo Center - \$4,418.06; E-911 - \$514.38; Economic Development - \$29,513.93; CDBG Grant Fund - \$7,017.00; Fleet Maintenance - \$7,028.25; Workers' Compensation - \$941.68; CIP Fund - \$8,727.84 and Federal Forfeiture Fund - \$1,193.46.

A motion was made by Councilman Smith and seconded by Councilman Read to approve the Claims for May 22, 2013 to June 4, 2013.

Before the vote, Councilman Titsworth inquired about the payment to MPower and commented that the copy of the invoice he had received had been dated June 1, 2011.

Manager Stasiak informed the Council that he would contact the entity and request a corrected invoice. There was no further discussion, and the vote was taken as follows:

AYE: Councilman Smith, Read, Titsworth, Karr & Garvin

NAY: None

ABSTAIN: (counted as no) Mayor Harrison

Mayor Harrison declared the motion carried.

- C. Concur with Oklahoma Municipal Assurance Group recommendation to deny Claim No.33460-TW. (*Cora Middleton, City Clerk*)

A motion was made by Councilman Karr and seconded by Councilman Smith to concur with Oklahoma Municipal Assurance Group to deny Claim No. 33460-TW.

Before the vote, there was a brief discussion concerning when the pot hole had been reported and if it had been reported prior to the claim if that would have helped the claimant. There was no further discussion, and the vote was taken as follows:

AYE: Councilman Karr, Smith, Read, Titsworth & Mayor Harrison

NAY: Councilman Garvin

Mayor Harrison declared the motion carried.

- D. Consider and act upon, authorizing the Mayor to sign a contract between the City of McAlester and the Oklahomans for Independent Living. (*Peter J. Stasiak, City Manager*)

A motion was made by Councilman Smith and seconded by Councilman Read to authorize the Mayor to sign a contract between the City of McAlester and the Oklahomans for Independent Living.

Before the vote, Councilman Read commented on the absence of a contract.

Manager Stasiak asked that this item be pulled until the next meeting and bring that agreement before the Council then.

There was no vote.

- E. Consider and act upon, a request from the Pittsburg County Regional Expo Authority for funding in the amount of \$9,000. (*Peter J. Stasiak, City Manager*)

A motion was made by Councilman Read and seconded by Councilman Karr to approve a request from the Pittsburg County Regional Expo Authority for funding in the amount of \$9,000.00.

Before the vote, Councilman Read commented that there had never been information supplied by the Expo Authority regarding their expenses and he would like to see how much the County contributed to the Authority.

Mayor Harrison stated that he believed that the City needed an agreement also.

Manager Stasiak commented that he had been prepared to pull this item and that he had spoken with Mr. Derichsweiler, who was supposed to gather the requested information. He added that he would present the requested information at the next meeting including an agreement.

There was no vote.

- F. Consider and act upon, authorizing the Mayor to sign a contract between the City of McAlester and Main Street Association. (*Peter J. Stasiak, City Manager*)

Councilman Read moved to authorize the Mayor to sign a contract between the City of McAlester and Main Street Association. The motion was seconded by Councilman Titsworth.

Before the vote, there was discussion concerning the different amounts connected to this item, their contract not appearing to be approved by their Board, pulling this item and bringing it back before the Council at a later date and if the Council was comfortable with the amounts that had been budgeted for all of the entities that the City funded.

There was no vote on this item.

Mayor Harrison commented that item "F" would be pulled.

There was a brief discussion regarding bringing all of the Contracts, including item "G" back to the Council in more completed forms.

- H. Discussion and possible action, a funding request of \$18,000 for the Old Town Association 17th Wild West Festival, October 5, 2013. (*Old Town Association, Eddie Gray/Councilman Buddy Garvin*)

A motion was made by Councilman Titsworth and seconded by Councilman Read to approve a funding request of \$18,000.00 for the Old Town Association 17th Wild West Festival, on October 5, 2013.

Before the vote, there was discussion among the Council, Manager Stasiak and Eddie Gray regarding the growth of the Festival over the years, the amount of tourism that this Festival brings into the City, what the money would be used for, the Old Town Association's first request for funding and Manager Stasiak working out the details of this item with Councilman Garvin and Mr. Gray then bringing it back before the Council.

There was no vote on this item.

- I. Consider and act upon, authorizing the Mayor to sign a City County Agreement for a Joint Civil Defense/Emergency Management Administration between the Board of County Commissioners of Pittsburg County of Oklahoma and the City of McAlester. (*Peter J. Stasiak, City Manager*)

Councilman Read moved to authorize the Mayor to sign a City-County Agreement for a Joint Civil Defense/Emergency Management Administration between the Board of County Commissioners of Pittsburg County of Oklahoma and the City of McAlester.

Before the vote, Councilman Read commented that he had the same concern about this item as he had on the previous items.

Manager Stasiak stated that this would be fixed and brought back before the Council with the other items.

There was no vote on this item.

- R. Consider and act upon, authorizing the Mayor to sign a Letter of Agreement between the Oklahoma Tobacco Settlement Endowment Trust and City of McAlester for grant funds received from the Oklahoma Tobacco Settlement Endowment Trust Fund (TSET), through the Healthy Communities Incentive Grant Program. (*Pamela Kirby, Human Resources Manager*)

A motion was made by Councilman Karr and seconded by Councilman Smith to authorize the Mayor to sign a Letter of Agreement between the Oklahoma Tobacco Settlement Endowment Trust and City of McAlester for grant funds received from the Oklahoma Tobacco Settlement Endowment Trust Fund (TSET), through the Healthy Communities Incentive Grant Program.

Before the vote, Manager Stasiak commented that he would like to add "and attached documents" to the motion. He explained that there were several documents behind the agreement that would need to be signed if this item was approved.

Mayor Harrison asked Councilman Karr and Councilman Smith if they agreed to the additional language. Both indicated that they would agree to the addition. The motion was restated as "authorize the Mayor to sign a Letter of Agreement and attached documents between the Oklahoma Tobacco Settlement Endowment Trust and City of McAlester for grant funds received from the Oklahoma Tobacco Settlement Endowment Trust Fund (TSET), through the Healthy Communities Incentive Grant Program." There was no further discussion, and the vote was taken as follows:

AYE: Councilman Karr, Smith, Titsworth, Read, Garvin & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried.

A motion was made by Councilman Smith and seconded by Councilman Read to open a Public Hearing addressing three (3) Ordinances. There was no discussion, and the vote was taken as follows:

AYE: Councilman Smith, Read, Titsworth, Karr, Garvin & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried, and the Public Hearing was opened at 6:35 P.M.

Public Hearing

- **TO RECEIVE PUBLIC COMMENT ON CITY OF MCALESTER PROPOSED FISCAL YEAR 2013-2014 ANNUAL OPERATING BUDGET.**
- **AN ORDINANCE OF THE CITY OF McAlester, OKLAHOMA, AMENDING ORDINANCE NO. 2425 WHICH ESTABLISHED THE BUDGET FOR FISCAL YEAR 2012-2013; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING FOR A SEVERABILITY CLAUSE; AND DECLARING AN EMERGENCY?**
- **AN ORDINANCE AMENDING THE CITY OF MCALESTER CODE OF ORDINANCES, CHAPTER 62, LAND DEVELOPMENT CODE, ARTICLE VI, SUBDIVISION REGULATIONS, DIVISION 3. DESIGN STANDARDS, GENERALLY, SECTION 62-397, SUBDIVISION DESIGN STANDARDS (A) STREETS (11). REPEALING ALL CONFLICTING ORDINANCES; AND DECLARING AN EMERGENCY.**

Bill Murdock addressed the Council regarding his concerns about MPower being funded in the next fiscal year. There no other comments from the public or the Council and Councilman Smith

moved to close the Public Hearing. The motion was seconded by Councilman Read, and the vote was taken as follows:

AYE: Councilman Smith, Read, Karr, Garvin, Titsworth & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried, and the Public Hearing was closed at 6:39 P.M.

Scheduled Business

1. CONSIDER AND TAKE ACTION WITH RESPECT TO A RESOLUTION AUTHORIZING THE MCALESTER PUBLIC WORKS AUTHORITY (THE "AUTHORITY") TO ISSUE ITS UTILITY SYSTEM AND SALES TAX REVENUE NOTE, SERIES 2013 (THE "NOTE") IN THE AGGREGATE PRINCIPAL AMOUNT OF \$8,890,000.00; WAIVING COMPETITIVE BIDDING AND AUTHORIZING THE NOTE TO BE SOLD ON A NEGOTIATED BASIS; RATIFYING AND CONFIRMING A SALES TAX AGREEMENT BY AND BETWEEN THE CITY OF MCALESTER, OKLAHOMA (THE "CITY") AND THE AUTHORITY PERTAINING TO A YEAR-TO-YEAR PLEDGE OF CERTAIN SALES TAX REVENUE; APPROVING AND AUTHORIZING EXECUTION OF AN INDENTURE AUTHORIZING THE ISSUANCE AND SECURING THE PAYMENT OF THE NOTE; PROVIDING THAT THE ORGANIZATIONAL DOCUMENT CREATING THE AUTHORITY IS SUBJECT TO THE PROVISIONS OF THE INDENTURE; RATIFYING AND CONFIRMING A LEASE PERTAINING TO THE CITY'S WATER, SANITARY SEWER, AND GARBAGE SYSTEMS; ESTABLISHING THE AUTHORITY'S REASONABLE EXPECTATION WITH RESPECT TO THE ISSUANCE OF TAX-EXEMPT OBLIGATIONS BY THE AUTHORITY IN CALENDAR YEAR 2013, AND DESIGNATING THE NOTE AS A QUALIFIED TAX-EXEMPT OBLIGATION; AUTHORIZING AND DIRECTING THE EXECUTION OF THE NOTE AND OTHER DOCUMENTS RELATING TO THE TRANSACTION; AND CONTAINING OTHER PROVISIONS RELATING THERETO. *(Jon Wolff Municipal Finance Services, Inc. and Alan Brooks, Public Finance Law Group PLLC)*

Executive Summary

Motion to approve Resolution Authorizing the McAlester Public Works Authority (The "Authority") to issue its Utility System and Sales Tax Revenue Series 2013.

A motion was made by Councilman Smith and seconded by Councilman Titsworth to approve RESOLUTION NO. 13-09, authorizing the McAlester Public Works Authority to issue its Utility System and Sales Tax Revenue Series 2013.

Before the vote, Jon Wolff informed the Council that nine (9) banks had been provided financing packages and only one (1) bank had submitted a bid. Mr. Wolff reviewed the interest rate that had been bid and explained that as the economy improved interest rates would increase.

There was discussion among the Council, Mr. Wolff and Manager Stasiak regarding the interest rate, possibly taking a smaller amount now then later if the City's situation improved borrowing

the balance, the length of this issue, the structure of the repayment schedule, the City budgeting contingency funds for unexpected items and the Council's comfort level in borrowing the full \$8.89 Million.

Mayor Harrison commented that Mr. Wolff had mentioned that this would require three-fourths (3/4) votes of the Council, all six (6) votes to be approved. He then explained that the full amount of \$8.89 million was what was being voted on. There was no further discussion, and the vote was taken as follows:

AYE: Councilman Smith, Titsworth, Karr, Garvin, Read & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried.

2. CONSIDER AND TAKE ACTION WITH RESPECT TO A RESOLUTION APPROVING THE INCURRENCE OF INDEBTEDNESS BY THE MCALESTER PUBLIC WORKS AUTHORITY (THE "AUTHORITY") ISSUING ITS UTILITY SYSTEM AND SALES TAX REVENUE NOTE, SERIES 2013 (THE "NOTE"); PROVIDING THAT THE ORGANIZATIONAL DOCUMENT CREATING THE AUTHORITY IS SUBJECT TO THE PROVISIONS OF THE INDENTURE AUTHORIZING THE ISSUANCE OF SAID NOTE; WAIVING COMPETITIVE BIDDING WITH RESPECT TO THE SALE OF SAID NOTE AND APPROVING THE PROCEEDINGS OF THE AUTHORITY PERTAINING TO THE SALE OF SAID NOTE; RATIFYING AND CONFIRMING A SALES TAX AGREEMENT BY AND BETWEEN THE CITY OF MCALESTER, OKLAHOMA (THE "CITY") AND THE AUTHORITY PERTAINING TO THE YEAR-TO-YEAR PLEDGE OF CERTAIN SALES TAX REVENUES; RATIFYING AND CONFIRMING A LEASE PERTAINING TO THE CITY'S WATER, SANITARY SEWER, AND GARBAGE SYSTEMS; ESTABLISHING THE CITY'S REASONABLE EXPECTATION WITH RESPECT TO THE ISSUANCE OF TAX-EXEMPT OBLIGATIONS BY OR ON BEHALF OF SAID CITY IN CALENDAR YEAR 2013, AND DESIGNATING THE NOTE AS A QUALIFIED TAX-EXEMPT OBLIGATION; AND CONTAINING OTHER PROVISIONS RELATING THERETO. *(Jon Wolff Municipal Finance Services, Inc. and Alan Brooks, Public Finance Law Group PLLC)*

Executive Summary

MOTION TO APPROVE RESOLUTION WITH RESPECT TO A RESOLUTION APPROVING THE INCURRENCE OF INDEBTEDNESS BY THE MCALESTER PUBLIC WORKS AUTHORITY (THE "AUTHORITY") ISSUING ITS UTILITY SYSTEM AND SALES TAX REVENUE NOTE, SERIES 2013 (THE "NOTE")

A motion was made by Councilman Smith and seconded by Councilman Titsworth to approve RESOLUTION NO. 13-10, approving the incurrence of indebtedness by the McAlester Public Works Authority issuing its Utility System and Sales Tax Revenue note Series 2013.

Before the vote, Mr. Wolff explained that this was the actual approval by the City as required by Title 60. There was no discussion, and the vote was taken as follows:

AYE: Councilman Smith, Titsworth, Garvin, Read, Karr & Mayor Harrison
NAY: None

Mayor Harrison declared the motion carried.

3. Discussion and act upon, a Resolution confirming the City of McAlester has the resources or can obtain the resources necessary to provide Economic Development service to the Citizens of McAlester. *(Councilman Travis Read)*

Executive Summary

Motion to approve Resolution to conduct economic development activities internally within the City of McAlester organizational structure.

A motion was made by Councilman Smith and seconded by Councilman Titsworth to approve RESOLUTION NO. 13-11, to conduct economic development activities internally within the City of McAlester's organizational structure.

Before the vote, Councilman Read stated that he had prepared and asked that this Resolution be placed on the agenda. He commented that he believed that it was time that the City stopped outsourcing economic development and that the City Manager had economic development experience.

There was discussion among the Council, the City Attorney and Manager Stasiak concerning better information, having economic development answer to the Council, requiring a Charter change for economic development to answer to the Council, the confidentiality of various economic development matters, how other cities handled economic development, how economic development was one of the most controversial items faced by municipalities, the City's available work force, the cost of an Economic Development Director and that there was no perfect way to handle economic development.

Councilman Read briefly reviewed his thoughts on this matter and commented that he would like to see this Resolution pass unanimously and show support for the City Manager. There was no further discussion, and the vote was taken as follows:

AYE: Councilman Smith, Titsworth, Read, Karr & Mayor Harrison
NAY: Councilman Garvin

Mayor Harrison declared the motion carried.

4. Discussion and act upon, a contract requesting funding for economic development services between MPower Economic Development Corporation and the City of McAlester. *(MPower Board of Directors)*

Executive Summary

Motion to approve the contract with MPower E.E. for FY 13/14.

Mayor Harrison commented that this item had been pulled at the request of the submitter.

Councilman Read commented that he would like to read the Committee's report to the Council to review the work that had been done to negotiate a contract with MPower. After Councilman Read had read the report, Councilman Garvin thanked him for informing the Council of what had transpired during the negotiations.

5. Consider, and act upon, an Ordinance amending Ordinance No. 2425 which established the budget for fiscal year 2012-2013; repealing all conflicting ordinances; providing for a severability clause; and declaring an emergency. *(Toni Ervin, Chief Financial Officer)*

Executive Summary

Motion to approve the budget amendment ordinance.

ORDINANCE NO. 2465

AN ORDINANCE OF THE CITY OF McALESTER, OKLAHOMA, AMENDING ORDINANCE NO. 2425 WHICH ESTABLISHED THE BUDGET FOR FISCAL YEAR 2012-2013; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING FOR A SEVERABILITY CLAUSE; AND DECLARING AN EMERGENCY.

A motion was made by Councilman Smith and seconded by Councilman Titsworth to approve **ORDINANCE NO. 2465.**

Before the vote, Ms. Ervin reviewed the amendment with the Council informing them of the interest rates that the City was paying on the lease purchase agreements. She added that at the end of the fiscal year any funds that were not used would roll into fund balance.

There was no further discussion, and the vote was taken as follows:

AYE: Councilman Smith, Titsworth, Read, Karr, Garvin & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried.

Councilman Read moved to approve the EMERGENCY FUND, seconded by Councilman Karr. There was no discussion, and the vote was taken as follows:

AYE: Councilman Read, Karr, Garvin, Smith, Titsworth & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried.

6. Consider, and act upon, approval of special claims list attached hereto for pay-off of capital leases. *(Toni Ervin, Chief Financial Officer)*

Executive Summary

Motion to approve the special claims list.

A motion was made by Councilman Smith and seconded by Councilman Karr to approve the special claims list as follows: General Fund - \$92,455.04, to pay off the lease on a 2008 Ford

Ambulance, nine (9) 2009 Ford Crown Victoria Police Cars and one (1) 2009 Ford Ranger pickup; McAlester Public Works - \$18,040.38, to pay off the lease for one (1) John Deere 410J Backhoe.

Before the vote, Ms. Ervin commented that this was the actual payoff of the lease purchases. There was no further discussion, and the vote was taken as follows:

AYE: Councilman Smith, Karr, Titsworth, Read, Garvin & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried.

7. Consider and act upon, authorizing the Mayor to sign a Master Agreement for Internet Services between the City of McAlester and AT&T. (*James Stanford, IT Computer Specialist*)

Executive Summary

Motion to approve Master Agreement for Internet Services.

A motion was made by Councilman Smith and seconded by Councilman Read to authorize the Mayor to sign a Master Agreement for Internet Services between the City of McAlester and AT&T.

Before the vote, Manager Stasiak informed the Council that Joe Breeden and James Stanford were available to answer any questions the Council may have.

Joe Breeden explained that this was the beginning of a five (5) step process that would save the City approximately \$3,000.00 a month, increase efficiency in City Hall and the speed of the internet. He stated that this new technology for McAlester was fiber optic access to the internet.

City Attorney Ervin reviewed the recommended changes to the Master Agreement. There was discussion among the Council regarding how this would be routed into City Hall, the reliability of the fiber optic lines, the improvements in the technology, the cost of using AT&T, how long it would take to complete this change and making this authorization contingent upon the acceptance of the City Attorney's recommended changes. There was no further information, and the vote was taken as follows:

AYE: Councilman Smith, Read, Karr, Garvin & Mayor Harrison

NAY: Councilman Titsworth

Mayor Harrison declared the motion carried.

8. Consider and act upon, authorizing the Mayor to sign a Service Agreement with MegaPath for local and long distance phone calling for the City of McAlester. (*James Stanford, IT Computer Specialist*)

Executive Summary

Motion to approve agreement with MegaPath.

A motion was made by Councilman Smith and seconded by Councilman Read to approve an agreement with MegaPath for local and long distance calling for the City of McAlester.

Before the vote, City Attorney Ervin reviewed the recommended changes to the Service Order and the agreement. He commented that with the recommended changes the document was in legal proper form.

Mayor Harrison clarified that this item and the previous item were approved contingent upon the recommended changes. There was no further discussion, and the vote was taken as follows:

AYE: Councilman Smith, Read, Karr, Garvin & Mayor Harrison

NAY: Councilman Titsworth

Mayor Harrison declared the motion carried.

9. Consider and act upon a Resolution of Support for the Southwinds Aldridge Apartments, LP for Development for the Aldridge Apartments, LP Development and authorizing a monetary contribution from Economic Development funds in minimum amount of \$14,001.

Executive Summary

Motion to approve a Resolution of support for Economic Development and promoting affordable housing, and authorizing a monetary contribution from Economic Development funds in minimum amount of \$14,001 or combination of in-kind services with a monetary contribution to offset the remaining obligation up to \$14,001.

A motion was made by Councilman Read and seconded by Councilman Smith to approve RESOLUTION NO. 13-12, supporting the Southwinds Aldridge Apartments, LP for Development for the Aldridge Apartments, LP Development and authorizing a monetary contribution from Economic Development funds in minimum amount of \$14,001.00.

Before the vote, Manager Stasiak explained that six (6) months ago the City of McAlester was approached by Southwinds Aldridge Apartments, LP for the rehabilitation of the Aldridge Apartments to include mostly A.D.A. improvements. He commented that they had not been successful in their grant application at that time. He added that they had another opportunity to apply and had addressed their deficiencies in their application. He stated that they had requested that some of the wording in the previous Resolution be changed from "not to exceed \$14,001." to "at a minimum total \$14,001."

There was discussion among the Council and Manager Stasiak regarding the wording, if this was the same project as before, if other organizations would have the same opportunities, where the funds would come from, changing the wording by removing "at a minimum" and if this was the same amount that was contributed to Hickory Ridge. There was no further discussion, and the vote was taken as follows:

AYE: Councilman Smith, Read, Karr, Garvin, Titsworth & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried.

10. Consider and act upon, authorizing the Mayor to sign a Mutual Aid Interlocal Agreement between the City of Savanna and the City of McAlester to combine and coordinate resources for responses to calls for services.

Executive Summary

Motion to approve the Mutual Aid Interlocal Agreement with the City of Savanna.

Councilman Smith moved to approve and authorize the Mayor to sign a Mutual Aid Interlocal Agreement between the City of Savanna and the City of McAlester to combine and coordinate resources for response to calls for service. The motion was seconded by Councilman Karr.

After a brief discussion concerning who would dispatch for Savanna and that this agreement was similar to the agreement with the City of Krebs, the vote was taken as follows:

AYE: Councilman Smith, Karr, Garvin, Titsworth, Read & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried.

11. Consider and act upon, an Ordinance amending the City of McAlester Code of Ordinances, Chapter 62, Land Development Code, Article VI, Subdivision Regulations, Division 3, Design Standards, Generally, Section 62-397, and Subdivision Design Standards (A) Streets (11). Repealing all conflicting Ordinances; and Declaring an Emergency. (*Peter J. Stasiak, City Manager*)

Executive Summary

Motion to approve amending Ordinance of the City of McAlester Code of Ordinances, Chapter 62, Section 397. Subdivision Design Standards (A) Streets (11).

ORDINANCE NO. 2466

AN ORDINANCE AMENDING THE CITY OF MCALESTER CODE OF ORDINANCES, CHAPTER 62, LAND DEVELOPMENT CODE, ARTICLE VI, SUBDIVISION REGULATIONS, DIVISION 3. DESIGN STANDARDS, GENERALLY, SECTION 62-397, SUBDIVISION DESIGN STANDARDS (A) STREETS (11). REPEALING ALL CONFLICTING ORDINANCES; AND DECLARING AN EMERGENCY.

A motion was made by Councilman Karr and seconded by Councilman Read to approve **ORDINANCE NO. 2466**, removing the requirement requiring an unpaved island in a cul-de-sac.

Before the vote, Manager Stasiak explained that in the past these islands had become garbage collectors and no one took responsibility for them. There was no further discussion, and the vote was taken as follows:

AYE: Councilman Karr, Read, Smith, Titsworth, Garvin & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried.

Councilman Read moved to approve the EMERGENCY CLAUSE, seconded by Councilman Titsworth. There was no discussion, and the vote was taken as follows:

AYE: Councilman Read, Titsworth, Smith, Karr, Garvin & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried.

12. Ratify and approve, an Agreement for the Fireworks Display for the 2013 show scheduled July 4th, 2013. (*Jerry Lynn Wilson, Expo Center Manager*)

Executive Summary

Motion to approve agreement for the 2013 Firework Display with Liberty Pyrotechnics, LLC in the amount of \$13,495.00.

A motion was made by Councilman Smith and seconded by Councilman Titsworth to approve and Agreement for the Fireworks Display for the 2013 show scheduled for July 14th, 2013, with Liberty Pyrotechnics.

Before the vote, Mel Priddy informed the Council that Liberty Pyrotechnics, LLC had been the low bidder of the three (3) companies that had submitted bids. He added that this company had put on the fireworks display last year and that First National Bank was once again donating 10 million dollars again for the display this year.

City Attorney Ervin commented that he had found two (2) changes that he recommended be made. He then reviewed those changes with the Council. There was no further discussion and the vote was taken as follows

AYE: Councilman Smith, Titsworth, Karr, Garvin, Read & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried.

13. Consider, and act upon, a Professional Services Agreement with a consultant to be named for the design of road and infrastructure improvements along Seventeenth Street from Comanche Avenue to South Avenue. (*John C. Modzelewski, PE, City Engineer and Public Works Director*)

Executive Summary

Motion to approve authorizing the Mayor to sign a Professional Services Agreement with a consultant, to be named on June 11, 2013, for the design of road and infrastructure improvements along Seventeenth Street from Comanche Avenue to South Avenue.

A motion was made by Councilman Smith and seconded by Councilman Read to approve and authorize the Mayor to sign a Professional Services Agreement with a consultant to be named on

June 11, 2013, for the design of road and infrastructure improvements along Seventeenth Street from Comanche Avenue to South Avenue.

Before the vote, John Modzelewski distributed a "Proposal for Construction Plans and Bid Documents" from EST, Inc for the 17th Street from Comanche Avenue to South Avenue Project to the Council. He explained that this item was to get a contract with a consultant and the time constraints associated with this item created urgency in selecting the consultant. He then reviewed the steps that had been taken to meet all of the requirements and the deadlines.

There was discussion among the Council, Manager Stasiak and Mr. Modzelewski concerning the funding, how the streets in the project had been selected, informing the public of the progress of the projects, developing an objective procedure on selecting the streets to be worked on , when construction may begin, and having a standardized engineering agreement for all future projects.

There was no further discussion, and the vote was taken as follows:

AYE: Councilman Smith, Read, Titsworth, Karr, Garvin & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried.

New Business

There was no new business.

City Manager's Report

Manager Stasiak reported DEQ had approached the City about the East Waste Water Plant and how the chemicals were currently being stored. He stated that the City would need to start developing a new system to separate specific chemicals. He commented that City crews were currently replacing a sewer main in the area of Lost and Brick all the way to Main. The Mullin House has been used for practice by the Firefighters, but is expected to be taken down sometime in the Fall. Manager Stasiak reported that the Hospital had approved a request by Mel Priddy for an eighteen (18) hole disc golf course on the Hospital grounds. The Asbestos Remediation at the Armory has been completed and bids to remediate the lead based paint would be going out soon. He informed the Council that the Parks department had begun fogging for mosquitoes. He stated that the Aeronautics Commission had met with John Modzelewski and Butch Mellor this week and he anticipated the completion of work on 10th Street this week.

Remarks and Inquiries by City Council

Councilman Garvin commented that he had recommended "Safe Rooms" for all of the schools several years ago but nothing had been done as of yet. He commented on the individuals at stop signs distracting the public and the City Attorney would be presenting something at the next Council meeting to address this. He commended the Mayor for his welcome at the Sunbelt

Classic. He commented on the dance recital given by the students and staff of Angie's Dance Studio. He then inquired on the annexation at the Turnpike.

Manager Stasiak stated that the Turnpike had not finalized the land deal and when that is finalized the City would move forward with the annexation.

Councilman Karr expressed his condolences for Robert Tate.

Councilman Read informed the Council of a fund raiser that had occurred at Legends Salon to raise funds for the dog park. He then asked the City Attorney to look into protecting the City's interests pertaining to MPower.

Councilman Titsworth commented that he was still receiving letters regarding individuals parking in the streets and the problems that caused.

Councilman Smith inquired about the "Bass Masters and the Charity bicycle ride.

Manager Stasiak explained that both of those events were scheduled for 2014.

Mayor's Comments and Committee Appointments

Mayor Harrison did not have any comments for the evening.

Recess Council Meeting

Mayor Harrison asked for a motion to recess the Regular Meeting to convene the Authorities. Councilman Smith moved to recess the Regular Meeting and convene the Authorities. The motion was seconded by Councilman Titsworth. There was no discussion, and the vote was taken as follows:

AYE: Councilman Smith, Titsworth, Karr, Garvin, Read & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried and the meeting was recessed at 8:37 P.M.

Reconvene Council Meeting

The Regular Meeting was reconvened at 8:38 P.M.

A motion was made by Councilman Smith and seconded by Councilman Karr to recess the Regular Meeting for an Executive Session to discuss negotiations concerning employees and representatives of employee groups: IAFF & FOP, in accordance with Title 25, Sec. 307.B.2.

There was no discussion, and the vote was taken as follows:

AYE: Councilman Smith, Karr, Titsworth, Read, Garvin & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried and the Regular Meeting was recessed at 8:39 P.M.

Executive Session

Recess into Executive Session in compliance with Section Title 25 Section 307 B. (2) et.seq. Oklahoma Statutes, to wit:

- 1) Proposed executive session pursuant to Title 25, Sec. 307 (B) (2), discussing negotiations concerning employees and representatives of employee groups: IAFF & FOP

Reconvene into Open Session

Take any action as a result from Executive Session.

The Regular Meeting was reconvened at 9:12 P.M. Mayor Harrison reported that the Council had recessed the Regular Meeting for an Executive Session to discuss negotiations concerning employees and representatives of employee groups: IAFF & FOP, in accordance with Title 25, Sec. 307.B.2. Only that matter was discussed, no action was taken, and the Council returned to open session at 9:13 P.M., and this constituted the Minutes of the Executive Session.

Adjournment

There being no further business to come before the Council, Councilman Smith moved for the meeting to be adjourned, seconded by Councilman Garvin. There was no discussion, and the vote was taken as follows:

AYE: Councilman Smith, Garvin, Read, Karr, Titsworth & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried, and the meeting was adjourned at 9:13 P.M.

ATTEST:

Steve Harrison, Mayor

Cora Middleton, City Clerk

The McAlester City Council met in Special session on Thursday, June 20, 2013, at 5:30 P.M. after proper notice and agenda was posted, June 18, 2013, at 5:29 P. M.

Call to Order

Mayor Harrison called the meeting to order.

Roll Call

Council Roll Call was as follows:

Present: Weldon Smith, Travis Read Robert Karr, Buddy Garvin, Sam Mason & Steve Harrison

Absent: John Titsworth

Presiding: Steve Harrison, Mayor

Staff Present: Toni Ervin, Chief Finance Officer; Brett Brewer, Fire Chief; Peter Stasiak, City Manager and Cora Middleton, City Clerk

A motion was made by Councilman Smith and seconded by Councilman Read to Open a Public Hearing addressing an Ordinance adopting the Fiscal Year 2013-2014 Operating Budget. There was no discussion, and the vote was taken as follows:

AYE: Councilman Smith, Read, Karr, Garvin, Mason & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried, and the Public Hearing was opened at 5:31 P.M.

Public Hearing

- **AN ORDINANCE ADOPTING THE BUDGET OF THE CITY OF McALESTER, OKLAHOMA FOR THE FISCAL YEAR 2013-2014.**

There no comments from the public or the Council and Councilman Smith moved to close the Public Hearing. The motion was seconded by Councilman Read, and the vote was taken as follows:

AYE: Councilman Smith, Read, Karr, Garvin, Mason & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried, and the Public Hearing was closed at 5:32 P.M.

Scheduled Business

1. Consider, and act upon, the Acceptance of CenterPoint Energy Community Partnership Grant Award in the amount of \$1600.00, for a Carboxy Hemoglobin Parameter for the City of McAlester Fire Department and EMT's.

A motion was made by Vice-Mayor Mason and seconded by Councilman Karr to accept a grant award from CenterPoint Energy Community Partnership in the amount of \$1,600.00 for a Carboxy Hemoglobin Parameter for the City of McAlester Fire Department and EMT's.

Before the vote, Chief Brewer explained that the meter would measure the amount of Carbon Monoxide in a person's blood system and could be used on both firefighters and victims of fires.

There was no discussion, and the vote was taken as follows:

AYE: Councilman Mason, Karr, Read, Garvin, Smith & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried.

2. Consider, and act upon, an Ordinance adopting the budget of the City of McAlester, Oklahoma, for the fiscal year 2013-2014; providing for severability clause; and declaring an emergency.

ORDINANCE NO. 2467

AN ORDINANCE ADOPTING THE BUDGET OF THE CITY OF McALESTER, OKLAHOMA FOR THE FISCAL YEAR 2013-2014.

A motion was made by Councilman Smith and seconded by Councilman Read to approve **ORDINANCE NO. 2467.**

Before the vote, Manager Stasiak expressed his appreciation for the input from the Council and all of the work from staff in putting this budget together. He stated that the Council had been apprised of the budget shortfalls and this version was the final copy.

There was no further discussion, and the vote was taken as follows:

AYE: Councilman Smith, Read, Karr, Garvin, Mason & Mayor Harrison

NAY: None

Mayor Harrison declared the motion carried.

Councilman Read moved to approve the EMERGENCY CLAUSE. The motion was seconded by Councilman Garvin. There was no discussion, and the vote was taken as follows:

AYE: Councilman Read, Garvin, Mason, Smith, Karr & Mayor Harrison
NAY: None

Mayor Harrison declared the motion carried.

Adjournment

There being no further business to come before the Council, Councilman Smith moved for the meeting to be adjourned, seconded by Councilman Garvin. There was no discussion, and the vote was taken as follows:

AYE: Councilman Smith, Garvin, Mason, Read, Karr & Mayor Harrison
NAY: None

Mayor Harrison declared the motion carried, and the meeting was adjourned at 5:35 P.M.

ATTEST:

Steve Harrison, Mayor

Cora Middleton, City Clerk

CLAIMS FROM

**JUNE 19, 2013
THRU
JULY 2, 2013**

PACKET: 09815 CLAIMS FOR 7/9/2013

VENDOR SET: 01

FUND : 01 GENERAL FUND

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-A00170	ADA PAPER CO.					
		I-360804	01 -5215202	OPERATING SUP COPY PAPER ALL DEPTS	065136	67.46
		I-361312	01 -5215202	OPERATING SUP COPY PAPER ALL DEPTS	065136	202.38
		I-361312-1	01 -5215202	OPERATING SUP COPY PAPER ALL DEPTS	065136	67.46
		I-361500	01 -5548203	REPAIRS & MAI JANITORIAL SUPPLIES	065136	266.67
01-A00267	AIRGAS, INC					
		I-9016559277	01 -5543202	OPERATING SUP CO2 & POOL SUPPLIES	065137	276.45
		I-9909867651	01 -5542203	REPAIRS & MAI MONTHLY BOTTLE LEASE	065137	37.51
		I-9909867651	01 -5543203	REPAIRS & MAI MONTHLY BOTTLE LEASE	065137	85.98
01-A00280	ALERT-ALL CORP.					
		I-W3475	01 -5431329	PROMOTIONAL PROMOTIONAL SUPPLIES	065138	505.50
01-A00540	AMERICAN RED CROSS					
		I-002	01 -5543202	OPERATING SUP SWIMMING LESSON EXP	065139	300.00
01-A00751	ATWOODS					
		I-1565/9	01 -5542203	REPAIRS & MAI MISC REPAIR & MAINT ITEMS	065140	25.97
		I-1566/9	01 -5542203	REPAIRS & MAI MISC REPAIR & MAINT ITEMS	065140	35.63
		I-1572/9	01 -5542203	REPAIRS & MAI MISC REPAIR & MAINT ITEMS	065140	99.98
		I-1590/9	01 -5542203	REPAIRS & MAI SWEEPER FOR PARKS CREW	065140	299.99
		I-1591/9	01 -5542203	REPAIRS & MAI MISC REPAIR & MAINT ITEMS	065140	17.98
01-A00770	BOLTE ENTERPRISES, INC					
		I-927794	01 -5431203	REPAIRS & MAI AUTO REPAIR PARTS	065141	285.17
		I-928096	01 -5431203	REPAIRS & MAI AUTO REPAIR PARTS	065142	298.68
01-B00089	BANK OF OKLAHOMA					
		I-5076271	01 -5547308	CONTRACTED SE CEM CARE FUND ADMIN FEE	065143	367.97
01-B00180	UNION IRON WORKS, INC.					
		I-S1733732.001	01 -5543202	OPERATING SUP SWITCHES FOR POOLS	065145	60.26
		I-S1737058.002	01 -5543202	OPERATING SUP SWITCHES FOR POOLS	065145	158.36
01-B00486	BRADELY RAY INMAN					
		I-201307025120	01 -5544308	CONTRACT LABO UMPIRE FEES - 15 GAMES	065148	375.00
01-C00202	CARTRIDGE WORLD					
		I-110601	01 -5432203	REPAIR & MAIN TONER FOR PRINTER	065150	114.24
01-C00900	CYNTHIE CUMBIE dba CUST					
		I-537326	01 -5431207	CLOTHING ALLO UNIFORM ALLOWANCE	065152	55.00
01-D00330	DEPT. OF PUBLIC SAFETY					
		I-04-1308647	01 -5321308	CONTRACTED SE TELETYPE RENTAL FEE	065176	350.00
01-E00266	ERVIN & ERVIN ATTORNEYS					
		I-201307025125	01 -5214302	CONSULTANTS CONTRACTED LEGAL SVS-JULY 2013	065180	3,125.00

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VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
=====						
01-F00142	FIRE-TECK LLC					
		I-2013-1129	01 -5431339	VEHICLE/EQUIP PARTS FOR LADDER TRUCK	065181	1,552.38
		I-2013-1158	01 -5431203	REPAIRS & MAI REPAIR PARTS FOR VEHICLE	065181	67.00
01-G00010	G & C RENTAL CENTER, IN					
		I-21348	01 -5547203	REPAIRS & MAI EQUIPMENT RENTAL	065183	241.49
		I-21710	01 -5547202	OPERATING SUP EQUIPMENT RENTAL	065183	200.00
		I-21710	01 -5547203	REPAIRS & MAI EQUIPMENT RENTAL	065183	100.00
		I-21710	01 -5547204	SMALL TOOLS EQUIPMENT RENTAL	065183	147.66
		I-21803	01 -5547203	REPAIRS & MAI EQUIPMENT RENTAL	065183	302.98
		I-22084	01 -5865218	STREET REPAIR TRACHOE RENTAL	065183	131.18
01-G00260	GEORGE HALIBURTON					
		I-160567	01 -5652318	ABATEMENTS CONTRACT BRUSH HOGGING	065184	972.00
01-G00490	GRISSOM IMPLEMENT INC					
		I-342159	01 -5547202	OPERATING SUP WEEDEATER LINE FOR TRIMMI	065186	249.95
01-G00494	GT DISTRIBUTORS, INC					
		I-INV0453861	01 -5321202	OPERATING SUP GUN MAGAZINE FOR OFFICER	065187	51.45
01-H00075	HARRIS CONSTRUCTION SER					
		I-62813	01 -5865403	STREETS RECON ROCK HAULING FEE	065190	6,286.73
01-I00110	IMPRESS OFFICE SUPPLY					
		I-035476	01 -5210202	OPERATING SUP MISC OFFICE SUPPLIES	065191	33.76
		I-035477	01 -5321202	OPERATING SUP MISC OFFICE SUPPLIES	065191	91.10
01-J00110	JACKIE BRANNON CORR. CT					
		I-CC20130090	01 -5542308	CONTRACTED SE MONTHLY INMATE FEES	065193	136.03
01-J00435	JORDAN CARRIS AGENCY					
		I-12-02346	01 -5321202	OPERATING SUP NOTARY BOND FEE	065194	30.00
01-K00005	K-BAR CO CONSTRUCTION					
		I-13505	01 -5865218	STREET REPAIR ASPHALT HAULING FEE	065195	1,360.00
01-L00380	LOCKE SUPPLY CO.					
		I-20606416-00	01 -5542203	REPAIRS & MAI MISC REPAIR ITEMS	065198	58.96
		I-20664715-00	01 -5542203	REPAIRS & MAI MISC REPAIR ITEMS	065198	27.01
01-L00428	LOWE'S CREDIT SERVICES					
		I-02010	01 -5322401	CAPITAL OUTLA ANIMAL SHELTER BLDG MATS	065200	45.94
		I-02402	01 -5322401	CAPITAL OUTLA ANIMAL SHELTER BLDG MATS	065200	45.43
		I-06103	01 -5322401	CAPITAL OUTLA ANIMAL SHELTER BLDG MATS	065200	109.07
		I-06128	01 -5322401	CAPITAL OUTLA ANIMAL SHELTER BLDG MATS	065200	54.98
		I-06982	01 -5865218	STREET REPAIR LUMBER & STEEL FOR POURS	065200	81.55
		I-12063	01 -5542203	REPAIRS & MAI MISC MAINT ITEMS	065200	40.98
		I-901009	01 -5322401	CAPITAL OUTLA ANIMAL SHELTER BLDG MATS	065200	92.50

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VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-L00428	LOWE'S CREDIT SERVICES		continued			
	I-905907	01	-5542203	REPAIRS & MAI MISC MAINT ITEMS	065200	83.87
	I-906323	01	-5542203	REPAIRS & MAI MISC MAINT ITEMS	065200	39.93
01-MC0140	MCALESTER PAINT & SUPPL					
	I-00086088	01	-5543203	REPAIRS & MAI POOL LADDER REPAIR PARTS	065207	7.02
	I-00086467	01	-5543203	REPAIRS & MAI POOL LADDER REPAIR PARTS	065207	64.56
	I-00086574	01	-5542206	CHEMICALS POOL CHEMICALS	065207	2,500.00
	I-00086574	01	-5543206	CHEMICALS POOL CHEMICALS	065207	445.00
	I-00087027	01	-5543203	REPAIRS & MAI POOL SUPPLIES	065207	195.57
	I-00087283	01	-5543203	REPAIRS & MAI POOL SUPPLIES	065207	99.07
01-MC0226	MC DONALDS RESTURANT					
	I-june 2013	01	-5321202	OPERATING SUP PRISONER MEALS	065208	116.38
01-N00250	MCALESTER NEWS CAPITAL					
	I-05610847	01	-5101350	ELECTIONS COUNCIL PUBLICATION ADS	065209	178.50
	I-05610849	01	-5101350	ELECTIONS COUNCIL PUBLICATION ADS	065209	139.80
	I-05610913	01	-5212317	ADVERTISING & COUNCIL PUBLICATION ADS	065209	22.25
	I-05610916	01	-5212317	ADVERTISING & COUNCIL PUBLICATION ADS	065209	22.70
	I-05610951	01	-5101350	ELECTIONS COUNCIL PUBLICATION ADS	065209	35.40
	I-05610982	01	-5212317	ADVERTISING & COUNCIL PUBLICATION ADS	065209	17.75
01-000075	O'REILLY AUTO PARTS					
	I-0230-120555	01	-5431203	REPAIRS & MAI AUTO PARTS & SUPPLIES	065214	16.78
	I-0230-122285	01	-5431203	REPAIRS & MAI AUTO PARTS & SUPPLIES	065214	3.98
	I-0230-123328	01	-5431203	REPAIRS & MAI AUTO PARTS & SUPPLIES	065214	496.58
01-000136	OKLA SPORTING SUPPLIES					
	I-931371	01	-5321325	FIRING RANGE AMMO FOR POLICE	065216	484.00
01-000427	OKLA UNIFORM BUILDING C					
	I-JUNE 2013	01	-5652336	FEES BLDG PERMIT FEES	065219	208.00
01-000520	OIL-OK INDEPENDENT LIVI					
	I-062013-2010/2011	01	-5101355	OIL-OK FOR IN CONTRACT WITH OIL	065220	2,000.00
01-000556	OMAG-OK MUNICIPAL ASSUR					
	I-201307025122	01	-5215322	LIABILITY INS INS PREMIUM ADJUSTMENTS	065221	58.14
	I-201307025122	01	-5215322	LIABILITY INS INS PREMIUM ADJUSTMENTS	065221	47.85-
01-000610	OTA PIKEPASS CENTER					
	I-20130595565	01	-5432202	OPERATING SUP PIKE PASS TOLL FEE	065222	100.00
01-P00078	PAMLI N. JOSLIN					
	I-570	01	-5653215	AWARDS/NUC PR CAPS FOR EMPLOYEES	065223	1,856.00
01-P00133	PATROL TECHNOLOGY					
	I-12-02250	01	-5321202	OPERATING SUP UNIFORM REPLACEMENT	065224	88.00

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VENDOR SET: 01

FUND : 01 GENERAL FUND

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-P00138	PATRICK SANDERS					
		I-201307025121	01 -5544308	CONTRACT LABO UMPIRE FEES - 3 GAMES	065225	75.00
01-P00350	PB COUNTY TAG AGENCY					
		I-12-02347	01 -5321202	OPERATING SUP TAG FOR POLICE VEHICLE	065226	37.50
01-P00510	PRO-KIL, INC					
		I-13110	01 -5548316	REPAIRS & MAI PEST CONTROL	065228	140.00
		I-73531	01 -5431203	REPAIRS & MAI PEST CONTROL	065228	96.00
01-R00090	RAM INC					
		I-38707	01 -5547212	FUEL EXPENSE DIESEL FOR CEMETERY	065230	1,590.03
01-R00469	ROCIC					
		I-0029209	01 -5431330	DUES & SUBSCR ANNUAL SERVICE FEE	065233	300.00
01-R00479	ROGER MELTON					
		I-753762	01 -5652318	ABATEMENTS CONTRACT MOWING	065234	785.00
		I-753763	01 -5652318	ABATEMENTS CONTRACT MOWING	065234	395.00
01-R00492	RONALD W BARNES					
		I-201307025117	01 -5544308	CONTRACT LABO UMPIRE FEES - 15 GAMES	065235	375.00
01-S00180	OKLA SECRETARY OF STATE					
		I-12-02344	01 -5321202	OPERATING SUP NOTARY RENEWAL FEE	065236	20.00
		I-12-02345	01 -5321202	OPERATING SUP NOTARY FILING FEE	065237	10.00
01-S00329	SHRED-IT USA, INC-OKLAH					
		I-9402098933	01 -5212308	CONTRACTED SE JUNE SHREDDING SVS	065238	64.00
01-S00726	STAPLES ADVANTAGE					
		I-00113	01 -5320202	OPERATING EXP MISC OFFICE SUPPLIES	065240	68.88
		I-01100	01 -5653202	OPERATING SUP MISC OFFICE SUPPLIES	065240	55.97
		I-3201965868	01 -5215202	OPERATING SUP OFFICE SUPPLIES	065240	28.35
		I-33744	01 -5321202	OPERATING SUP MISC OFFICE SUPPLIES	065240	46.75
01-T00010	T. H. ROGERS LUMBER CO.					
		I-474348	01 -5322401	CAPITAL OUTLA ANIMAL SHELTER BLDG MATER	065241	145.84
		I-474459	01 -5322401	CAPITAL OUTLA ANIMAL SHELTER BLDG MATER	065241	2,269.91
		I-474460	01 -5322401	CAPITAL OUTLA ANIMAL SHELTER BLDG MATER	065241	461.40
		I-474461	01 -5322401	CAPITAL OUTLA ANIMAL SHELTER BLDG MATER	065241	139.50
		I-474462	01 -5322401	CAPITAL OUTLA ANIMAL SHELTER BLDG MATER	065241	1,963.51
		I-474463	01 -5322401	CAPITAL OUTLA ANIMAL SHELTER BLDG MATER	065241	694.59
		I-474464	01 -5322401	CAPITAL OUTLA ANIMAL SHELTER BLDG MATER	065241	685.52
		I-474669	01 -5322401	CAPITAL OUTLA ANIMAL SHELTER BLDG MATER	065241	117.60
		I-474670	01 -5322401	CAPITAL OUTLA ANIMAL SHELTER BLDG MATER	065241	110.30
01-T00056	TED ALEXANDER					
		I-201307025124	01 -5544308	CONTRACT LABO UMPIRE FEES - 6 GAMES	065242	150.00

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FUND : 01 GENERAL FUND

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-T00429	THOMAS J DAVIS					
		I-201307025116	01 -5544308	CONTRACT LABO UMPIRE FEES - 9 GAMES	065243	225.00
01-W00040	WALMART COMMUNITY BRC					
		I-002479	01 -5321202	OPERATING SUP MISC OPER SUPPLIES	065246	61.21
		I-003403	01 -5542203	REPAIRS & MAI MISC REPAIR ITEMS	065246	67.48
		I-006877	01 -5542203	REPAIRS & MAI MISC REPAIR ITEMS	065246	48.40
		I-02327	01 -5431202	OPERATING SUP JANITORIAL & CLEANING SUP	065246	298.00
		I-02363	01 -5431202	OPERATING SUP JANITORIAL & CLEANING SUP	065246	166.05
		I-02909	01 -5542203	REPAIRS & MAI MISC MAINT & REPAIR ITEMS	065246	64.62
		I-06752	01 -5542203	REPAIRS & MAI MISC MAINT & REPAIR ITEMS	065246	22.89
		I-07605	01 -5320202	OPERATING EXP MISC OPERATING SUPPLIES	065246	62.17
		I-08502	01 -5542203	REPAIRS & MAI MISC REPAIR ITEMS	065246	32.77
01-W00072	WARREN CAT					
		I-R2035902	01 -5865403	STREETS RECON EQUIP RENTAL FEE	065247	3,256.13
01-W00195	WELDON PARTS INC.					
		I-1063976	01 -5431203	REPAIRS & MAI MISC REPAIR PARTS	065248	253.26
01-W00381	WILLIAM D ROBERTSON					
		I-201307025123	01 -5544308	CONTRACT LABO UMPIRE FEES - 7 GAMES	065250	175.00
01-X00020	XEROX CORP-MAJOR ACCOUN					
		I-800617051	01 -5215312	EQUIPMENT REN LEASE ON COPIERS	065251	1,791.46
			FUND	01 GENERAL FUND	TOTAL:	46,570.29

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FUND : 02 MPWA

VENDOR	NAME	ITEM #	G/L	ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-A00103	ACCURATE LABS & MINING						
		I-3F12093	02	-5974304	LAB TESTING LAB TESTING FEES	065135	430.00
		I-3F14013	02	-5974304	LAB TESTING LAB TESTING FEES	065135	189.00
01-A00170	ADA PAPER CO.						
		I-361312-1	02	-5267202	OPERATING SUP COPY PAPER ALL DEPTS	065136	337.30
01-A00267	AIRGAS, INC						
		I-9909867650	02	-5974203	REPAIRS & MAI MONTHLY BOTTLE RENTAL FEE	065137	57.95
		I-9909867652	02	-5973316	REPAIRS & MAI MONTHLY BOTTLE LEASE	065137	89.02
01-A00751	ATWOODS						
		I-1571/9	02	-5974203	REPAIRS & MAI HEATERS & SUPPLIES FOR	065140	196.85
		I-1573/9	02	-5974203	REPAIRS & MAI HEATERS & SUPPLIES FOR	065140	207.52
01-A00770	BOLTE ENTERPRISES, INC						
		I-927565	02	-5974203	REPAIRS & MAI REPAIR PARTS AS NEEDED	065141	7.99
01-B00314	BIO-AQUATIC TESTING, IN						
		I-43849	02	-5973316	REPAIRS & MAI TOXICITY RETESTING FEE	065146	751.00
		I-43947	02	-5973316	REPAIRS & MAI TOXICITY RETESTING FEE	065146	751.00
01-B00491	BRENNTAG SOUTHWEST						
		I-BSW398250	02	-5973206	CHEMICALS CHLORINE FOR WTP	065149	954.80
		I-BSW400658	02	-5974206	CHEMICALS CHLORINE FOR WTP	065149	601.80
		I-BSW404880	02	-5974206	CHEMICALS ALUM FOR WTP	065149	3,297.89
		I-BSW406186	02	-5974206	CHEMICALS POWDER ACT. CARBON-WTP	065149	3,194.00
		I-BSW408239	02	-5974206	CHEMICALS POWDER ACT. CARBON-WTP	065149	3,194.00
		I-BSW408894	02	-5974206	CHEMICALS ALUM FOR WTP	065149	3,214.61
01-D00322	DEPT. OF ENVIR. QUALITY						
		I-55261546	02	-5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065153	92.00
		I-55261853	02	-5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065154	138.00
		I-55261893	02	-5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065155	92.00
		I-55262708	02	-5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065156	92.00
		I-55263106	02	-5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065157	138.00
		I-55263580	02	-5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065158	92.00
		I-55264065	02	-5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065159	138.00
		I-55264938	02	-5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065160	92.00
		I-55265137	02	-5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065161	138.00
		I-55265508	02	-5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065162	46.00
		I-55265704	02	-5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065163	92.00
		I-55266296	02	-5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065164	92.00
		I-55266506	02	-5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065165	92.00
		I-55266670	02	-5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065166	92.00
		I-55266824	02	-5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065167	46.00
		I-55267199	02	-5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065168	46.00
		I-55267572	02	-5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065169	46.00
		I-55268817	02	-5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065170	46.00

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FUND : 02 MPWA

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-D00322	DEPT. OF ENVIR. QUALITY		continued			
		I-55269111	02 -5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065171	46.00
		I-55269112	02 -5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065172	46.00
		I-55269266	02 -5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065173	46.00
		I-55269267	02 -5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065174	188.00
		I-55269386	02 -5973331	EMPLOYEE TRAV TEST FEES FOR LICENSES	065175	46.00
01-D00540	DOLESE BROTHERS					
		I-AG13055398	02 -5975218	STREET REPAIR GRAVEL FOR REPAIRS	065178	821.84
		I-AG13060727	02 -5975218	STREET REPAIR GRAVEL FOR REPAIRS	065178	1,045.44
		I-AG13062415	02 -5975218	STREET REPAIR GRAVEL FOR REPAIRS	065178	719.84
01-F00170	FIRST NATIONAL BANK					
		I-072013-#134	02 -5864510	LEASE PAYMENT CATERPILLAR & COMPACTOR	065182	8,524.37
01-H00018	HD SUPPLY WATERWORKS, L					
		I-B103261	02 -5975209	UTILITY MAINT WATER LINE REPAIR CLAMPS	065188	3,927.50
01-H00040	HACH CHEMICAL					
		I-8345852	02 -5974206	CHEMICALS LAB SUPPLIES FOR TESTING	065189	845.80
01-I00110	IMPRESS OFFICE SUPPLY					
		I-035452	02 -5216202	OPERATING SUP MISC OFFICE SUPPLIES	065191	75.25
		I-035452	02 -5216202	OPERATING SUP MISC OFFICE SUPPLIES	065191	183.97
		I-035459	02 -5216202	OPERATING SUP MISC OFFICE SUPPLIES	065191	74.75
01-I00120	TYLER TECHNOLOGIES					
		I-025-72780	02 -5216202	OPERATING SUP PROGRAM FEE	065192	138.00
01-K00225	KI BOIS COMMUNITY ACTIO					
		I-JUNE 2013	02 -5866307	CONTRACTED RE RECYCLE CENTER LABOR	065197	1,800.00
		I-MAY 2013	02 -5866307	CONTRACTED RE RECYCLE CENTER LABOR	065197	1,980.00
01-L00428	LOWE'S CREDIT SERVICES					
		I-909949	02 -5973203	REPAIRS & MAI PLANT SUPPLIES-WWM	065200	287.32
01-M00304	MESHEK & ASSOC. INC					
		I-1764	02 -5871302	CONSULTANTS ENG FEE-STM WTR MGMT	065201	1,410.52
01-M00532	MISTY VALLEY WATER CO.					
		I-75154	02 -5866230	RECYCLING CEN RECYCLE CENTER SUPPLIES	065202	14.67
		I-82310	02 -5866230	RECYCLING CEN RECYCLE CENTER SUPPLIES	065202	21.76
		I-82957	02 -5866230	RECYCLING CEN RECYCLE CENTER SUPPLIES	065202	14.67
01-M00610	MOTION INDUSTRIES, INC.					
		I-OK-06-133678	02 -5973203	REPAIRS & MAI AERATOR REPAIR AT WW	065203	409.15
		I-OK-06-133717	02 -5973203	REPAIRS & MAI AERATOR REPAIR AT WW	065203	2,125.30
01-N00341	NORTHERN EQUIPMENT COMP					

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VENDOR SET: 01

FUND : 02 MPWA

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-N00341	NORTHERN EQUIPMENT COMP	continued				
	I-4		02 -5974402	RESIDUAL HAND RESIDUAL HANDLING IMPROVE	065211	110,867.07
01-000275	OKLA DEPT OF COMMERCE					
	I-072013-#8908		02 -5267521	CDBG LOAN #89 CDBG - EDIF #8908	065218	1,145.83
01-S00530	SOUTHWEST CHEMICAL SERV					
	I-96912		02 -5974206	CHEMICALS CAUSTIC FOR WTP	065239	4,638.90
	I-97312		02 -5973206	CHEMICALS LIME FOR SPILL AT WWM	065239	368.00
	I-97350		02 -5974206	CHEMICALS CAUSTIC FOR WTP	065239	4,611.60
01-S00726	STAPLES ADVANTAGE					
	I-3201965868		02 -5216202	OPERATING SUP OFFICE SUPPLIES	065240	19.98
	I-3201965868		02 -5975209	UTILITY MAINT OFFICE SUPPLIES	065240	69.61
	I-3201965869		02 -5975209	UTILITY MAINT OFFICE SUPPLIES	065240	29.97
01-T00473	TONY'S REFRIGERATION, I					
	I-1156		02 -5974203	REPAIRS & MAI ELECT REPAIR TO LAKE PUMP	065244	125.00
01-U00051	UTILITY SUPPLY CO.					
	I-067627		02 -5975209	UTILITY MAINT REPAIR PARTS FOR WTR LINE	065245	133.11
	I-068390		02 -5975209	UTILITY MAINT SEWER PIPE FOR REPAIR	065245	2,596.02
	I-068670		02 -5975211	WATER METERS REPLACEMENT WATER METERS	065245	23,998.45
	I-068671		02 -5975209	UTILITY MAINT REPAIR PARTS FOR WTR LINE	065245	218.04
	I-068672		02 -5975209	UTILITY MAINT REPAIR PARTS FOR WTR LINE	065245	95.30
	I-068673		02 -5975209	UTILITY MAINT REPAIR PARTS FOR WTR LINE	065245	423.22
	I-068674		02 -5975209	UTILITY MAINT REPAIR PARTS FOR WTR LINE	065245	167.50
01-W00290	WHOLESALE ELECTRIC SUPP					
	I-S3683652.001		02 -5973203	REPAIRS & MAI PLANT MAINT. SUPPLIES	065249	54.99
			FUND 02 MPWA	TOTAL:		193,439.47

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VENDOR SET: 01

FUND : 03 AIRPORT AUTHORITY

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
=====						
01-F00170	FIRST NATIONAL BANK					
		I-072013-#119817	03 -5876511	FNB LOAN #119 LOAN #119817 - AIRPORT AUTH	065182	2,510.00
				FUND 03 AIRPORT AUTHORITY	TOTAL:	2,510.00

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VENDOR SET: 01

FUND : 08 NUTRITION

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-D00405	DIANE CHADSEY					
		I-201307025115	08 -5549308	CONTRACT SERV REIMB MILEAGE FOR MEAL DEL	065177	73.45
01-E00207	EMMA E. BELLIS					
		I-201307025113	08 -5549308	CONTRACT SERV CONTRACT MEAL DELIVERY	065179	75.00
		I-201307025114	08 -5549308	CONTRACT SERV REIMB MILEAGE FOR MEAL DEL	065179	56.50
01-G00288	GERALDINE E MALKOWSKI					
		I-201307025110	08 -5549308	CONTRACT SERV CONTRACT MEAL DELIVERY	065185	90.00
		I-201307025111	08 -5549308	CONTRACT SERV REIMB MILEAGE FOR MEAL DEL	065185	57.63
01-L00426	LOUISE MCCONNELL					
		I-201307025108	08 -5549308	CONTRACT SERV CONTRACT MEAL DELIVERY	065199	30.00
		I-201307025109	08 -5549308	CONTRACT SERV REIMB MILEAGE FOR MEAL DEL	065199	8.48
01-R00304	RICHELLE CHEYENNE					
		I-201307025112	08 -5549308	CONTRACT SERV REIMB MILEAGE FOR MEAL DEL	065231	140.69
			FUND 08 NUTRITION	TOTAL:		531.75

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PACKET: 09815 CLAIMS FOR 7/9/2013

VENDOR SET: 01

FUND : 11 EMPLOYEE RETIREMENT

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
=====						
01-MC0098	MCAFFEE & TAFT					
		I-403353	11 -5220302	CONSULTANTS LEGAL FEES	065205	2,700.00
			FUND	11 EMPLOYEE RETIREMENT	TOTAL:	2,700.00

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FUND : 27 TOURISM FUND

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-MC0134	MCALESTER MAIN STREET					
	I-062013-2010/2011	27	-5655353	MAIN STREET P CONTRACT WITH MCALESTER MAIN S	065206	1,166.67
01-P00450	PRIDE IN MCALESTER					
	I-062013-2010-2011	27	-5655352	MISC PRIDE IN CONTRACT WITH PRIDE IN McALEST	065227	2,500.00
				FUND 27 TOURISM FUND	TOTAL:	3,666.67

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PACKET: 09815 CLAIMS FOR 7/9/2013

VENDOR SET: 01

FUND : 29 E-911

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-W00040	WALMART COMMUNITY BRC	I-02478	29 -5324202	OPERATING SUP MISC SUPPLIES FOR 911 CTR	065246	66.89
			FUND	29 E-911	TOTAL:	66.89

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PACKET: 09815 CLAIMS FOR 7/9/2013

VENDOR SET: 01

FUND : 30 ECONOMIC DEVELOPMENT

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-MC0134	MCALESTER MAIN STREET	I-062013-2010/2011	30 -5211353	MAIN STREET P CONTRACT WITH MCALESTER MAIN S	065206	1,166.66
01-N00347	MEHLBURGER BRAWLEY, INC	I-MC-12-01-10	30 -5211407	14 ST/69 HWY ENG FEE-14TH & 69 SWR EXT	065212	1,173.00
01-000275	OKLA DEPT OF COMMERCE	I-072013-#12248	30 -5211510	CDBG / EDIF D CDBG - EDIF CONT #12248	065217	282.50
01-P00450	PRIDE IN MCALESTER	I-062013-2010-2011	30 -5211352	MISC PRIDE IN CONTRACT WITH PRIDE IN McALEST	065227	2,500.00
01-R00464	ROBISON INTERNATIONAL,	I-062013-2012-13	30 -5211361	LOBBYING SERV LOBBYING SERVICES-MDSA	065232	2,000.00
			FUND	30 ECONOMIC DEVELOPMENT	TOTAL:	7,122.16

PACKET: 09815 CLAIMS FOR 7/9/2013

VENDOR SET: 01

FUND : 35 FLEET MAINTENANCE

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-A00770	BOLTE ENTERPRISES, INC					
	C-924843 CR	35 -5862203	REPAIRS & MAI BULK VEHICLE OIL	065141	0.41-	
	I-921049 A	35 -5862203	REPAIRS & MAI BULK VEHICLE OIL	065141	0.32	
	I-927202	35 -5862203	REPAIRS & MAI BULK VEHICLE OIL	065141	21.60	
	I-927261	35 -5862203	REPAIRS & MAI BULK VEHICLE OIL	065141	5.89	
	I-927308	35 -5862203	REPAIRS & MAI BULK VEHICLE OIL	065141	49.09	
	I-927327	35 -5862203	REPAIRS & MAI BULK VEHICLE OIL	065141	5.99	
	I-927399	35 -5862203	REPAIRS & MAI BULK VEHICLE OIL	065141	3.90	
	I-927481	35 -5862203	REPAIRS & MAI BULK VEHICLE OIL	065141	26.21	
	I-927487	35 -5862203	REPAIRS & MAI BULK VEHICLE OIL	065141	28.66	
	I-927498	35 -5862203	REPAIRS & MAI BULK VEHICLE OIL	065141	7.65	
	I-927573	35 -5862203	REPAIRS & MAI BULK VEHICLE OIL	065141	9.78	
	I-927608	35 -5862203	REPAIRS & MAI BULK VEHICLE OIL	065141	11.78	
	I-928168	35 -5862203	REPAIRS & MAI BULK VEHICLE OIL	065142	2,398.00	
01-B00150	BEALES GOODYEAR TIRES					
	I-MC-205957	35 -5862203	REPAIRS & MAI TIRES FOR POLICE VEHICLES	065144	1,588.08	
	I-MC-206193	35 -5862203	REPAIRS & MAI MULTI-TRAC TIRE FOR PK-7	065144	79.95	
01-C00430	CHIEF FIRE & SAFETY CO.					
	I-173221	35 -5862203	REPAIRS & MAI PUMPER TRUCK REPAIRS	065151	6,588.00	
01-K00190	YELLOWHOUSE MACHINERY C					
	I-907202	35 -5862203	REPAIRS & MAI WINDOW FOR UTM 20	065196	223.48	
01-N00271	NIX FORD MERCURY INC.					
	C-73524 CR	35 -5862203	REPAIRS & MAI MISC REPAIR ITEMS	065210	200.34-	
	I-143638	35 -5862203	REPAIRS & MAI MISC REPAIR ITEMS	065210	35.50	
	I-143722	35 -5862203	REPAIRS & MAI MISC REPAIR ITEMS	065210	35.50	
	I-73510	35 -5862203	REPAIRS & MAI MISC REPAIR ITEMS	065210	276.19	
	I-73511	35 -5862203	REPAIRS & MAI MISC REPAIR ITEMS	065210	109.67	
01-O00070	OGIELA MOWER SHOP					
	I-134372	35 -5862203	REPAIRS & MAI BLADES & BELTS FOR WW-13	065213	226.74	
01-O00075	O'REILLY AUTO PARTS					
	I-0230-118845	35 -5862203	REPAIRS & MAI SMALL PARTS FOR REPAIRS	065214	5.92	
	I-0230-119513	35 -5862203	REPAIRS & MAI SMALL PARTS FOR REPAIRS	065214	16.98	
	I-0230-119678	35 -5862203	REPAIRS & MAI SMALL PARTS FOR REPAIRS	065214	20.95	
	I-0230-119739	35 -5862203	REPAIRS & MAI SMALL PARTS FOR REPAIRS	065214	7.77	
	I-0230-120134	35 -5862203	REPAIRS & MAI SMALL PARTS FOR REPAIRS	065214	19.54	
	I-0230-120184	35 -5862203	REPAIRS & MAI SMALL PARTS FOR REPAIRS	065214	95.19	
	I-0230-120186	35 -5862203	REPAIRS & MAI SMALL PARTS FOR REPAIRS	065214	3.89	
	I-0230-121065	35 -5862203	REPAIRS & MAI SMALL PARTS FOR REPAIRS	065214	20.43	
	I-0230-121102	35 -5862203	REPAIRS & MAI SMALL PARTS FOR REPAIRS	065214	8.49	
	I-0230-121133	35 -5862203	REPAIRS & MAI SMALL PARTS FOR REPAIRS	065214	38.57	
	I-0230-121212	35 -5862203	REPAIRS & MAI SMALL PARTS FOR REPAIRS	065214	5.99	
01-O00122	OK TIRE					

PACKET: 09815 CLAIMS FOR 7/9/2013

VENDOR SET: 01

FUND : 35 FLEET MAINTENANCE

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-000122	OK TIRE					
		I-8826	35 -5862203	REPAIRS & MAI MISC VEHICLE REPAIRS	065215	20.00
01-Q00022	KEITH COFFEE DBA QUALIT					
		I-1579	35 -5862203	REPAIRS & MAI TRANS FOR G-1	065229	1,800.00
01-W00072	WARREN CAT					
		I-10C075186A	35 -5862203	REPAIRS & MAI CABLE FOR S-10	065247	92.71
			FUND 35	FLEET MAINTENANCE	TOTAL:	13,687.66

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PACKET: 09815 CLAIMS FOR 7/9/2013

VENDOR SET: 01

FUND : 36 WORKER'S COMPENSATION

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
=====						
01-M00629	MUTUAL ASSURANCE ADMIN					
		I-9707	36 -5215315	THIRD PARTY A W/C ADMINISTRATION FEE	065204	941.68
				FUND 36 WORKER'S COMPENSATION TOTAL:		941.68

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REGULAR DEPARTMENT PAYMENT REGISTER

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PACKET: 09815 CLAIMS FOR 7/9/2013

VENDOR SET: 01

FUND : 41 CIP FUND

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-F00170	FIRST NATIONAL BANK					
		I-072013-#137	41 -5865510	LEASE PAYMENT LEASE PAYMENT ON DURAPATCHER	065182	3,378.84
01-N00347	MEHLBURGER BRAWLEY, INC					
		I-MC-11-02-09	41 -5975406	RESIDUAL HAND RESIDUAL HANDLING IMPROV	065212	10,941.00
			FUND	41 CIP FUND	TOTAL:	14,319.84

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PACKET: 09815 CLAIMS FOR 7/9/2013

VENDOR SET: 01

FUND : 42 FEDERAL FORFEITURE FUND

VENDOR	NAME	ITEM #	G/L ACCOUNT NAME	DESCRIPTION	CHECK#	AMOUNT
01-B00419	BOB HURLEY FORD					
		I-26189	42 -5321401	CAPITAL OUTLA 2012 FORD SUV POLICE UNIT	065147	33,360.00
				FUND 42 FEDERAL FORFEITURE FUND TOTAL:		33,360.00
				REPORT GRAND TOTAL:		318,916.41

** G/L ACCOUNT TOTALS **

YEAR	ACCOUNT	NAME	AMOUNT	=====LINE ITEM=====		=====GROUP BUDGET=====	
				ANNUAL BUDGET	BUDGET OVER AVAILABLE BUDG	ANNUAL BUDGET	BUDGET OVER AVAILABLE BUDG
2012-2013	01 -5101350	ELECTIONS	353.70	16,000	35.37		
	01 -5101355	OIL-OK FOR INDEPENDENT LIV	2,000.00	24,000	0.00		
	01 -5210202	OPERATING SUPPLIES	33.76	2,600	134.27		
	01 -5212308	CONTRACTED SERVICES	64.00	2,475	40.60		
	01 -5212317	ADVERTISING & PRINTING	62.70	1,750	247.06		
	01 -5215202	OPERATING SUPPLIES	365.65	6,000	116.04		
	01 -5215312	EQUIPMENT RENTALS	1,791.46	37,900	1,223.93-	Y	
	01 -5215322	LIABILITY INSURANCE/BONDS	10.29	104,793	10.11-	Y	
	01 -5320202	OPERATING EXPENSE	131.05	4,300	2,879.01		
	01 -5321202	OPERATING SUPPLIES	552.39	11,923	2,935.78		
	01 -5321308	CONTRACTED SERVICES	350.00	15,000	5,547.71		
	01 -5321325	FIRING RANGE	484.00	12,500	4,135.39		
	01 -5322401	CAPITAL OUTLAY	6,936.09	24,000	7,495.40		
	01 -5431202	OPERATING SUPPLIES	464.05	15,149	2,357.13		
	01 -5431203	REPAIRS & MAINT SUPPLIES	1,517.45	9,551	2,604.23		
	01 -5431207	CLOTHING ALLOWANCE	55.00	18,500	4,212.97-	Y	
	01 -5431329	PROMOTIONAL	505.50	2,000	1,494.50		
	01 -5431330	DUES & SUBSCRIPTIONS	300.00	8,100	1,935.55		
	01 -5431339	VEHICLE/EQUIP. MAINTENANCE	1,552.38	49,408	48.06		
	01 -5432202	OPERATING SUPPLIES	100.00	23,000	1,169.33		
	01 -5432203	REPAIR & MAINT SUPPLIES	114.24	5,500	2,156.72		
	01 -5542203	REPAIRS & MAINT SUPPLIES	1,003.97	51,475	4,416.96		
	01 -5542206	CHEMICALS	2,500.00	12,000	27.25		
	01 -5542308	CONTRACTED SERVICES	136.03	15,500	4,586.18		
	01 -5543202	OPERATING SUPPLIES	795.07	10,664	2,080.20		
	01 -5543203	REPAIRS & MAINT SUPPLIES	452.20	12,455	196.05		
	01 -5543206	CHEMICALS	445.00	29,270	77.00		
	01 -5544308	CONTRACT LABOR	1,375.00	22,000	5,407.83		
	01 -5547202	OPERATING SUPPLIES	449.95	600	95.98		
	01 -5547203	REPAIRS & MAINT SUPPLIES	644.47	10,246	177.05		
	01 -5547204	SMALL TOOLS	147.66	1,350	1,202.34		
	01 -5547212	FUEL EXPENSE	1,590.03	13,400	49.61		
	01 -5547308	CONTRACTED SERVICES	367.97	4,500	84.47		
	01 -5548203	REPAIRS & MAINTENANCE SUPP	266.67	54,400	26,440.44		
	01 -5548316	REPAIRS & MAINTENANCE	140.00	21,328	3,761.62-	Y	
	01 -5652318	ABATEMENTS	2,152.00	15,000	1,125.00		
	01 -5652336	FEES	208.00	1,880	76.00		
	01 -5653202	OPERATING SUPPLIES	55.97	2,793	479.10		
	01 -5653215	AWARDS/NUC PROGRAM	1,856.00	12,000	21.30		
	01 -5865218	STREET REPAIRS & MAINTENAN	1,572.73	275,000	19,625.99		
	01 -5865403	STREETS RECONSTRUCTION PRO	9,542.86	625,000	427,025.79		
	02 -5216202	OPERATING SUPPLIES	491.95	13,500	374.50		
	02 -5267202	OPERATING SUPPLIES	337.30	6,000	2,707.75		
	02 -5866230	RECYCLING CENTER EXPENSE	51.10	4,600	1,953.44		
	02 -5866307	CONTRACTED RECYCLE SERVICE	3,780.00	22,740	240.00		

** G/L ACCOUNT TOTALS **

YEAR	ACCOUNT	NAME	AMOUNT	=====LINE ITEM=====		=====GROUP BUDGET=====	
				ANNUAL BUDGET	BUDGET OVER AVAILABLE BUDG	ANNUAL BUDGET	BUDGET OVER AVAILABLE BUDG
	02 -5871302	CONSULTANTS	1,410.52	156,060	19,365.42		
	02 -5973203	REPAIRS & MAINT SUPPLIES	2,876.76	51,680	8,313.26		
	02 -5973206	CHEMICALS	1,322.80	4,400	896.70		
	02 -5973316	REPAIRS & MAINTENANCE	1,591.02	38,500	9,426.99		
	02 -5973331	EMPLOYEE TRAVEL & TRAININ	1,982.00	3,058	25.60		
	02 -5974203	REPAIRS & MAINT SUPPLIES	595.31	96,500	11,868.45		
	02 -5974206	CHEMICALS	23,598.60	378,661	38,679.80		
	02 -5974304	LAB TESTING	619.00	26,784	4,497.59		
	02 -5974402	RESIDUAL HANDLING PROJECT	110,867.07	875,400	0.00		
	02 -5975209	UTILITY MAINTENANCE SUPP.	7,660.27	32,500	2,386.38		
	02 -5975211	WATER METERS	23,998.45	66,000	698.32		
	02 -5975218	STREET REPAIRS & MAINTENAN	2,587.12	132,980	12,103.08		
	08 -5549308	CONTRACT SERVICES	531.75	15,500	332.32-	Y	
	11 -5220302	CONSULTANTS	2,700.00	38,020	60,634.08-	Y	
	27 -5655352	MISC PRIDE IN MCALESTER	2,500.00	30,000	0.00		
	27 -5655353	MAIN STREET PROGRAM	1,166.67	14,000	0.04-	Y	
	29 -5324202	OPERATING SUPPLIES	66.89	26,000	18,586.85		
	30 -5211352	MISC PRIDE IN MCALESTER	2,500.00	30,000	0.00		
	30 -5211353	MAIN STREET PROGRAM	1,166.66	14,000	0.08		
	30 -5211361	LOBBYING SERVICES	2,000.00	24,000	0.00		
	30 -5211407	14 ST/69 HWY SWR EXTENSION	1,173.00	454,408	0.00		
	35 -5862203	REPAIRS & MAINTENANCE SUPP	13,687.66	319,900	85,388.38		
	36 -5215315	THIRD PARTY ADM FEES	941.68	12,000	699.84		
	41 -5975406	RESIDUAL HANDLING IMPROVEM	10,941.00	31,350	0.00		
	42 -5321401	CAPITAL OUTLAY	33,360.00	33,000	1,553.46-	Y	
	** 2012-2013 YEAR TOTALS **		299,949.87				
2013-2014	01 -5214302	CONSULTANTS	3,125.00	75,000	71,875.00		
	02 -5267521	CDBG LOAN #8908	1,145.83	13,750	12,604.17		
	02 -5864510	LEASE PAYMENTS	8,524.37	102,293	93,768.63		
	03 -5876511	FNB LOAN #119817 PAYMENTS	2,510.00	60,240	57,730.00		
	30 -5211510	CDBG / EDIF DURALINE LOAN	282.50	3,390	3,107.50		
	41 -5865510	LEASE PAYMENTS	3,378.84	40,547	37,168.16		
	** 2013-2014 YEAR TOTALS **		18,966.54				

NO ERRORS

** END OF REPORT **

PACKET: 09815 CLAIMS FOR 7/9/2013

VENDOR SET: 01

BANK : FNB FIRST NATIONAL BANK

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
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** POSTING PERIOD RECAP **

FUND	PERIOD	AMOUNT
01	7/2013	46,570.29CR
02	7/2013	193,439.47CR
03	7/2013	2,510.00CR
08	7/2013	531.75CR
11	7/2013	2,700.00CR
27	7/2013	3,666.67CR
29	7/2013	66.89CR
30	7/2013	7,122.16CR
35	7/2013	13,687.66CR
36	7/2013	941.68CR
41	7/2013	14,319.84CR
42	7/2013	33,360.00CR
=====		
ALL		318,916.41CR

AGREEMENT BETWEEN THE CITY OF MCALESTER

AND

OKLAHOMANS FOR INDEPENDENT LIVING

This Agreement, made and entered into this ____ day of _____, 2013 by and between the City of McAlester, Oklahoma hereinafter called the (the "City"), and Oklahomans for Independent Living, hereinafter called ("OIL").

It is the intent of the Agreement that OIL is to perform such services as outlined herein:

OIL agrees to provide services for people with disabilities such as transportation, assistive technology, recreation, volunteer programs, Americans with Disabilities Act and disability awareness training, employment assistance, information and referral, advocacy, peer counseling, and Independent Living Skills training.

OIL and the City shall maintain an arrangement for professional contact. This will be in the form of informal discussion by and with the staff of both agencies in order to identify areas of need, gaps in service and to coordinate available resources of both agencies for the benefit of People with Disabilities. Confidentiality standards will be observed.

In performing this agreement OIL acts as an independent contractor and nothing contained in this agreement shall be construed to establish a relationship of agency or employment between said entity and the City.

OIL will contract with the City in providing the following services to the City and the citizens of McAlester:

- 1) Door-to-door transportation to be provided to individuals with disabilities and elderly persons with functional limitations to facilitate living; a minimum of twenty-four (24) hours notice is required; and
- 2) Back-up service to the Community Services Senior Citizens bus service; and
- 3) Disability information and referrals; and

hereto in which case this agreement shall continue for the ensuing fiscal year upon the same terms or upon such amended terms as the parties may agree. This Agreement may be terminated by the City or OIL with a thirty-day written notice to the other party.

This agreement is to be binding upon our administrators, successor, and assigns.

Agreed to and executed the date first written above, irrespective of the actual date of signing.

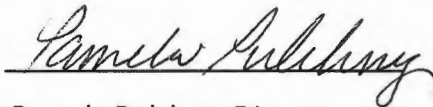
CITY OF MCALESTER
An Oklahoma Municipal Corporation

Steve Harrison, Mayor

Cora Middleton, City Clerk

Executed for and on behalf of Oklahomans for Independent Living on the ____ day of
_____, 2013.

OKLAHOMANS FOR INDEPENDENT LIVING


Pamela Pulchny, Director

Approved as for form and legality:

Ervin & Ervin Attorneys, by William J. Ervin
City Attorney

EXHIBIT A

PARTICIPATING ENTITY ADDENDUM FOR HIGHER EDUCATION, K-12, AND MUNICIPAL INSTITUTIONS

This Participating Entity Addendum ("Addendum") is entered in between Blackboard Connect Inc. ("Blackboard Connect") and City of McAlester, OK – Pittsburg County, OK E911 ("Customer"). The Customer and Blackboard Connect may hereinafter be collectively referred to as the "Parties" or individually, as the "Party."

Whereas, Oklahoma State Regents for Higher Education ("OSRHE"), by and through OneNet, has procured the services of Blackboard Connect to provide a fully hosted alert notification system for emergency notifications, by way of a Master Agreement dated September 16, 2009 (the, "Agreement"), which is incorporated by reference; and

Whereas, the Agreement permits Customer (as defined in the Agreement), to subscribe to the **Connect-ED**® service or the **Connect-CTY**® service in accordance with the Agreement by executing this Addendum, and the Customer has determined that it would like to subscribe to the **Connect-ED** service or the **Connect-CTY** service.

Now, therefore the Parties agree as follows:

1. **EFFECTIVE DATE AND DURATION.** This Addendum becomes effective upon signature of the parties. The Connect-Ed Service will begin on June 1, 2011 and will end on May 31, 2012 ("Initial Term"). Unless earlier terminated or renewed, this Addendum shall continue for three years from the date of full execution by the parties, (unless sub-section (a) below applies). Provided that the Agreement remains in effect, the Addendum will be automatically renewed for up to two successive periods of one year each ("Term").
 - (a) For Participating Entities that execute the Addendum prior to December 31, 2009, and require a renewal date of July 1, 2010, Blackboard Connect will send a prorated invoice to run from the date of full execution of the Addendum to June 30, 2010.
2. **NON-APPROPRIATION.** The Customer may terminate this Addendum on sixty (60) days written notice without penalty should the Legislature: (i) fail to appropriate sufficient funding to Customer for this Addendum; (ii) reduce the appropriations or Customer's authority to spend appropriations; or (iii) limit funding to a level that Customer reasonably deems insufficient to continue this Addendum. This section does not relieve Customer of payment obligations for services provided prior to Customer's termination notice. Customer may also terminate this Addendum pursuant to Section 18 of the Agreement.
3. **SERVICE TERMS.** Blackboard Connect agrees to provide the **Connect-ED** service or the **Connect-CTY** service to the undersigned Customer upon the same service terms outlined in the Agreement. Unless specifically indicated in this Addendum, all other terms and conditions of the Agreement shall apply to both parties.
4. **REPRESENTATIONS.** The Customer represents that: (i) it will comply with all applicable laws, regulations, and the Participating Entity Addendum in the use of the **Connect-ED** service or the **Connect-CTY** Service and with respect to the content and transmission of its messages sent using the **Connect-ED** service or the **Connect-CTY** service; (ii) it will use best efforts in providing accurate and complete data for its recipients ("Customer Data"); (iii) it has met all legal and regulatory requirements in providing, and using, the Customer Data, in connection with the **Connect-ED** service, or the **Connect-CTY** service, including, but not limited to, obtaining requisite consents to call intended recipients (each a "Recipient"); (iv) it will maintain the confidentiality of its password and account information, and agrees to notify Blackboard Connect in the event of an actual or suspected unauthorized access to its

account, or if it loses its account information; (v) it will have in place primary safety and emergency response procedures in the event of an emergency (including without limitation, notifying 911 or equivalent, fire, police, emergency medical, and public health, collectively, "First Responder Services") which do not utilize the *Connect-ED* service or *Connect-CTY* service; (vi) it will not subject Blackboard Connect to any regulations or laws due to the import of certain data; (vii) it will not send messages to Recipients who have opted out of receiving messages from the Customer; (viii) if Customer licenses data from Blackboard Connect, it will only use such data to contact individuals pursuant to the use of the *Connect-ED* or *Connect-CTY* service and is prohibited from downloading or making copies of such data; and (ix) it will not use the *Connect-ED* or *Connect-CTY* service in combination with products or services not provided by Blackboard Connect or in a manner for which the *Connect-ED* or *Connect-CTY* service was not designed, which would cause the Blackboard Connect Service to infringe on a third party intellectual property right. The Customer, to the extent permitted under Oklahoma law and subject to the Oklahoma Governmental Tort Claims Act, agrees to defend, indemnify and hold harmless Blackboard Connect against any damages, losses, liabilities, settlements, and expenses (including without limitation, costs and reasonable attorneys' fees) in connection with any claim or action that arises from the content or effects of any messages the Participating Entity distributes using the *Connect-ED* or *Connect-CTY* service or the Customer's use of the Blackboard Connect Service.

5. **SERVICE FEE.** In return for the use of the *Connect-ED* or *Connect-CTY* service, the Customer will pay to Blackboard Connect the applicable Service Fee in accordance with the payment terms and tables specified in Exhibits B, C or D and Section 7 of the Agreement. Accordingly the Customer will pay the following fees to Blackboard Connect (collectively, the "Service Fee"):

For the period of June 1, 2011 through May 31, 2012 of the Initial Term, the Message Fee will be \$31,436.00 (i.e., \$2.00 x 15,718 Recipients). A total Service Fee of \$31,436.00 (including the waived Support Fee) will be invoiced upon execution of the Agreement and due within 30 days of invoicing.

Tick the appropriate box (as applicable)

- ☐ Emergency Usage
☒ Unlimited Usage

6. **PRIVACY POLICY AND ACCEPTABLE USE POLICY.** The Customer agrees to comply with the then current Acceptable Use Policy and Privacy Policy (collectively, the "Policies") (which can be found at the Blackboard Connect Website located at www.blackboardconnect.com, as amended from time to time. In the event of an express conflict between the terms of the Agreement or this Addendum and the Policies, the controlling document will be the Agreement, then this Addendum, then the Policies.
7. **CONFIDENTIALITY.** The term "Confidential Information" shall include, but is not limited to, the *Connect-ED* service or *Connect-CTY* service and all documents and materials relating to the provision of the *Connect-ED* service or the *Connect-CTY* service including but not limited to training manuals. The Customer agrees to limit access to the Confidential Information to those of its employees and other parties who have a business need for the access. The Customer may disclose Confidential Information in accordance with the Oklahoma Public Records laws provided however that the Customer agrees to give Blackboard Connect notice prior to such disclosure.
8. **LIMITATION OF LIABILITY.** In no event will Blackboard Connect, its officers, employees, representatives or licensors be liable to a Customer for any indirect, punitive, reliance, special, consequential, exemplary, or other similar damages of any kind or nature whatsoever, suffered by the Customer or any third party (including without

limitation, business interruption, downtime, or any use of, or failure to use the Blackboard Connect Service, or any loss of business, contracts, profits, anticipated savings, goodwill or revenue, or any loss or corruption of data), arising out of this Contract, the Blackboard Connect Service, or the transactions contemplated hereby, even if a Party has been advised of the possibilities of such damages or should have foreseen such damages. Blackboard Connect, its officers and employees will not be liable for any damages or injury with respect to the performance of the Blackboard Connect Service, caused by or resulting from any act, omission or condition beyond Blackboard Connect's reasonable control, whether or not foreseeable or identified, including but not limited to, transmission errors, or corruption or security of information carried over telecommunication lines, failure of digital transmission links, hostile network attacks or network congestion, or acts of God, acts of war, governmental regulations, public utilities or telecommunication providers, shortage of equipment, materials or supplies, fire, power failure, earthquakes, severe weather, floods or other natural disaster or the Customer's or any third party's applications, hardware, software or communications equipment or facilities. Under no circumstances will the aggregate liability of Blackboard Connect to the Customer or any third party arising out of or related to this Contract or the provision of the Blackboard Connect Service, exceed the aggregate fees paid to Blackboard Connect by the Customer under this Contract during the 12 month period immediately prior to the event, act or omission giving rise to such liability, regardless of whether any action or claim is based on warranty, indemnification, contract, tort or otherwise. The existence of multiple claims will not enlarge this limit. The foregoing limitations of liability are intended to apply without regard to whether other provisions of this Contract have been breached or have proven ineffective. Nothing contained in the foregoing limits or excludes the liability of Blackboard Connect for liability which cannot be excluded by law. Subject to the Oklahoma Governmental Tort Claims Act, Customer agrees to be responsible for the negligence of its agents and employees in connection with any claims or action that arises from the content of any messages the Customer distributes using the service or the Customer's use of the service. The Parties acknowledge and agree that the fees, limitations of liability and remedies reflect the allocation of risk between the Parties, and that Sections 8 and 9 of the Participating Entity Addendum are essential elements of the basis of the bargain between the Parties and that in its absence, the economic terms of this contract would be substantially different.

TO THE EXTENT ANY LIMITATION OF LIABILITY CONTAINED HEREIN IS CONSTRUED BY A COURT OF COMPETENT JURISDICTION TO BE A LIMITATION OF LIABILITY IN VIOLATION OF OKLAHOMA LAW, SUCH LIMITATION OF LIABILITY SHALL BE VOID.

9. **LIMITED WARRANTY.** THE BLACKBOARD CONNECT SERVICE IS PROVIDED "AS IS" AND ON AN "AS AVAILABLE" BASIS AND, TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, BLACKBOARD CONNECT EXPRESSLY DISCLAIMS ALL OTHER REPRESENTATIONS AND WARRANTIES RELATING TO THE BLACKBOARD CONNECT SERVICE, EXPRESS, IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO, THE WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR
10. **PURPOSE, TITLE, DATA ACCURACY, SATISFACTORY QUALITY, NON-INFRINGEMENT, AND/OR QUIET ENJOYMENT.** NEITHER BLACKBOARD CONNECT NOR ITS LICENSORS WARRANT THAT THE FUNCTIONS OR INFORMATION CONTAINED IN THE BLACKBOARD CONNECT SERVICE WILL MEET ANY REQUIREMENTS OR NEEDS CUSTOMER MAY HAVE, OR THAT THE BLACKBOARD CONNECT SERVICE WILL OPERATE ERROR FREE OR WITHOUT INTERRUPTION; AND BLACKBOARD CONNECT AND ITS LICENSORS MAKE NO GUARANTEE OF ACCESS TO OR OF ACCURACY OF THE CONTENT CONTAINED IN OF ACCESSED THROUGH THE BLACKBOARD CONNECT SERVICE. In the event of the Blackboard Connect Service's failure to comply with this Addendum, the Customer's sole remedy shall be to terminate this Addendum. The Customer acknowledges and agrees that the Blackboard Connect Service is not intended, nor designed, for use in high risk activities, or in any situation where failure of the Blackboard Connect Service could lead to death, personal injury, or damage to property, or where other damage could result if an error occurred and the parties further agree that, to the extent not prohibited by applicable

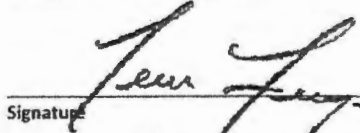


VOID IF EXECUTED AFTER JUNE 30, 2011
CITY OF MCALESTER, OK – PITTSBURG COUNTY, OK E911

law, Blackboard Connect shall not be liable for any death, personal injury or damage to property. The Customer also acknowledges and agrees that the primary recourse of the Customer in the event of any actual or potential threat to person or property should be to contact First Responder Services and that the Blackboard Connect Service is not intended to replace First Responder Services, or to be used for communication with, or replace notification to, or interoperate directly with, First Responder Services, which should have already been notified and deployed prior to using the Blackboard Connect Service.

11. SIGNATURES. By signature below, the parties agree to be bound by this Addendum.

Blackboard Connect Inc.

 5/13/11
Signature Date
Tess Frazier
Print Name
Vice President
Title

Customer/ Participating Entity: City of McAlester, OK –
Pittsburg County, OK E911

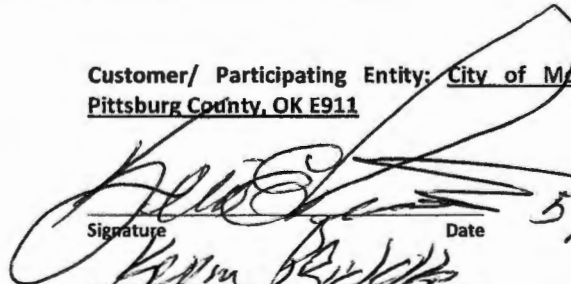
 5/13/11
Signature Date
Kevin Burke
Print Name
Mayor
Title

EXHIBIT D

TABLE 3

Municipalities and Counties Pricing for Participating Entity Customer

	NEW BLACKBOARD CONNECT CLIENT	EXISTING BLACKBOARD CONNECT CLIENT
--	-------------------------------	------------------------------------

Annual Support Fee	Waived	Waived
Annual Message Fee	The Annual Message Fee = \$2.00 per recipient for unlimited usage The pricing is locked for 3 years	Existing clients may renew for 3 additional years at the time of their standard contract anniversary and renewal date. The Annual Message Fee = \$2.00 per recipient for unlimited usage The pricing is locked for 3 years
Additional Conditions	Must sign entire population. First year contract may be prorated if started after July 1 in order for the renewal and anniversary date to be 07/01	Must sign entire population. First year contract may be prorated if started after July 1 in order for the renewal and anniversary date to be 07/01

PAYMENT TERMS

Upon full execution of the Participating Entity Addendum by Blackboard Connect and the Customer, Blackboard Connect will send the Customer an Invoice for the first year's annual Support Fee and annual Message Fee (collectively, the "Service Fee"), or pro-rated portion thereto. Thereafter the Service Fee will be invoiced on an annual basis.

The Service Fee is paid at the beginning of each annual period and is due in no event later than forty-five (45) days after the date of an invoice from Blackboard Connect. Late payments may be assessed at the lesser of 1.5% per month or the maximum allowable rate under applicable law.

The Service Fee does not include any sales, use, or other taxes, government fees or levies on the provision of the **Connect-CTY** Service. The Customer will be responsible for payment of all applicable taxes, fees or levies, unless the Customer is exempt therefrom and provides Blackboard Connect with a copy of Customer's tax exemption certificate or number. All payments to Blackboard Connect shall be made without any deduction or withholding, unless required by applicable law in which case the Customer shall ensure that the net amount actually received by Blackboard Connect from the Customer equals the full amount Blackboard Connect would have received had no such deduction or withholding been required.

**AMENDMENT
TO THE CONNECT-CTY SERVICES AGREEMENT DATED MAY 13, 2011 BETWEEN BLACKBOARD CONNECT
INC. AND CITY OF MCALESTER, OK – PITTSBURG COUNTY**

This Amendment to the Exhibit A Participating Entity Addendum for Higher Education, K-12, and Municipal Institutions Addendum dated May 13, 2011 ("Addendum") between Blackboard Connect Inc. ("Blackboard Connect") and City of McAlester, OK – Pittsburg County ("Customer") is made as of the last signature date below ("Amendment").

The purpose of this Amendment is to add Weather Alerts to the Addendum.

The Parties hereby agree to the following terms and conditions:

1. The following is hereby added to Section 3., entitled "Service Terms" as a new subsection a.:

a. Weather Alerts. Weather alert bulletins provided by NOAA, and delivered by a Blackboard initiated notification via voice, email and SMS (the "Weather Alerts") to Recipients. The Weather Alerts are available in the following four distinct categories: a) tornado alerts; b) severe thunderstorm alerts; c) flood alerts; and d) special marine alerts. The Weather Alerts shall be distributed by Blackboard based on NOAA issuing the applicable weather bulletin, which may occur at any time, 24 hours/day. In consideration for the use of Weather Alerts, the annual fee of \$2,500.00 ("Weather Alerts Fee") will be waived for the period May 26, 2011 through May 31, 2012. Delivery of Weather Alerts for additional periods shall be subject to the Parties mutual agreement, including, without limitation, agreed pricing.

2. The following is hereby added to the end of section 9., entitled "Limited Warranty" and will read as the following:

"Customer acknowledges and agrees Blackboard is delivering weather information created and provided by NOAA, and not Blackboard. Weather forecasting is an inexact science. Blackboard makes no express or implied warranties, guarantees or affirmations that weather will occur or has occurred as the NOAA alerts, reports, forecasts, data, or information state, represent or depict and it shall have no responsibility or liability whatsoever to Client or any other person or entity, parties and non-parties alike, for any inconsistency, inaccuracy, or omission for weather or events predicted or depicted, reported, occurring or occurred. CUSTOMER AND THIRD PARTIES ARE SOLELY RESPONSIBLE FOR ACTION OR LACK OF ACTION TAKEN TO PRESERVE LIFE OR PROPERTY."

All other terms and conditions of the Agreement remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the last date written below.

BLACKBOARD
650 MASSACHUSETTS AVE. NW 6TH FLOOR
WASHINGTON, DC 20001

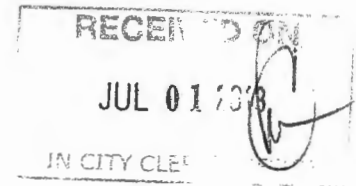
CUSTOMER: CITY OF MCALESTER, OK-PITTSBURG
COUNTY

Signature
TESS FRAZIER-VICE PRESIDENT
Print Name and Title

Date:

Signature
Kevin E. Prockle, Mayor
Print Name and Title

Date:



RATIFICATION OF LEASE

On July 28, 2010, a Lease Purchase was entered into by and between First National Bank & Trust Co., McAlester, Oklahoma, as Lessor and the City of McAlester, Oklahoma, a Municipal Corporation, as Lessee, in connection with the rent and lease of the following described equipment:

2011 Freightliner m2106 33000#GVW Truck chassis IN:1FVACYBS1BDAY3398
with any and all equipment, accessories and attachments to said vehicle;
One new DuraPatcher Truck Mounted Style Spray Injection Road Repair
Machine; and
One new DuraPatcher 6,000 gal. Gravity Feed Vertical Emulsion Storage Tank.

Lessor and Lessee hereby desire and adopt, ratify and confirm the above referenced Lease and all of its terms and provisions.

CITY OF MCALESTER

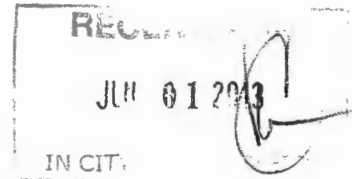
FIRST NATIONAL BANK & TR CO.

By: _____
Steve Harrison, Mayor

By: _____
Roi Nelson, CEO

Date: _____

Date: _____



June 28, 2013

City of McAlester
P. O. Box 578
McAlester, Oklahoma 74502

Attention: Cora Middleton, City Clerk

RE: Lease Purchase No. 137


Dear Ms. Middleton:

Enclosed you will please find a Ratification for the above numbered lease for Mayor Harrison's signature.

Once I receive the signed originals I will obtain Mr. Nelson's signature and return you a signed copy of both.

I appreciate your assistance and if you have any questions please do not hesitate to contact me.

Sincerely,

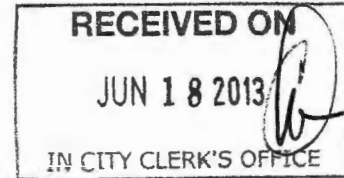

Kathy Crowl
Vice President

encs.



**Southeastern Public Library
System of Oklahoma**

401 North Second Street
McAlester, Oklahoma 74501
918.426.0456



Office of City Manager

JUL 02 2013

Received

June 18, 2013

Dear Mayor and Council Members:

On July 1 of 2013 the term of Yvonne Wallis on the Southeastern Library System of Oklahoma Board is up. According to the Board By-Laws, she is not eligible for another term. Yvonne has done an outstanding job of representing the library on the Southeastern Library System Board. We are asking that you appoint Karen Kinkead who is a current member of the Advisory board, to represent McAlester on the SEPLSO Board of Trustees. This board controls all the funding for 15 libraries over a 7 county area. It is vitally important that McAlester have an active representative on that Board. We feel that Karen will represent us well.

Yours truly,

Christine Sauro
McAlester Library Advisory Board
Secretary



P.O. BOX 578 • 1ST & WASHINGTON • McALESTER, OKLAHOMA 74502 • 918 423-9300 • FAX 421-4971 • www.cityofmcalester.com

To: Mayor & Council
From: Pete Stasiak
Date: June 10, 2013

RE: IAFF Contract 2013-2014

The following changes are recommended for the contract between the City of McAlester and the IAFF Local 2284 for the fiscal year July 1, 2013 thru June 30, 2014.

Cover Sheet:	Date Change
Article 3, Authority And Term, Page 5:	Date Change
Article 24, Insurance, Page 41:	Reduce Insurance Paid from \$641.19 to \$603.11
Article 28, Wages, Page 46:	Date Change
Article 37, Pension. Page 62:	Increase Employee Contribution from 8% to 9%

McALESTER IAFF COLLECTIVE BARGAINING AGREEMENT ~~2012/2013~~ 2013/2014

AGREEMENT

INTERNATIONAL ASSOCIATION OF FIREFIGHTERS

LOCAL 2284

and

CITY OF McALESTER

July 1, 2012 2013 - June 30, ~~2013~~ 2014

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ARTICLE 1
PURPOSE OF AGREEMENT

It is the intent and purpose of this Agreement, entered into by and between the City of McAlester, Oklahoma, a municipal corporation, hereinafter referred to as Employer and Local 2284, International Association of Firefighters, AFL-CIO/CLC, hereinafter referred to as Union, to protect the public health, safety and welfare of the citizens of McAlester, Oklahoma, from strikes, work stoppages, or slow-downs by the Union; to insure that the employees in the Bargaining Unit not be denied other well-recognized rights of labor, including the right to be represented by the Bargaining Agent of their choice and the right to bargain collectively with Employer concerning wages, hours and other terms and conditions of employment; and to provide for the equitable and orderly settlement of grievances which may arise during the term of this Agreement. The parties to this Agreement agree that uninterrupted and prompt fire service to the public is the basis for the existence of the fire service.

ARTICLE 2

RECOGNITION

The Union proposes that of the sworn personnel, only the Chief and one designated representative may be excluded from the bargaining unit. The City and Union agree that the following personnel shall be excluded from the bargaining unit:

- A. Fire Chief
- B. Assistant Fire Chief or One (1) Designated
Administrative Assistant
- C. Probationary Firefighters
- D. Civilian Employees

ARTICLE 3

AUTHORITY AND TERM

SECTION 1. The articles in this Agreement constitute an agreement by and between the Employer and the Union.

SECTION 2. This Agreement shall be effective as of the 1st day of July 2012 2013 and shall remain in full force and effect until the 30th day of June ~~2013~~ 2014.

SECTION 3. The terms of this Agreement shall not exceed one (1) year, provided this Agreement shall continue from year-to-year and be automatically extended for one-year terms unless written notice of request for negotiations is given by either

McALESTER IAFF COLLECTIVE BARGAINING AGREEMENT 2012/2013 2013/2014

party at least thirty (30) days before the anniversary date of this Agreement. Should a new agreement be in stages of current negotiations, the existing agreement shall be automatically in effect.

SECTION 4. It shall be the obligation of the Employer to meet at reasonable times and confer in good faith within ten (10) days after receipt by the Employer of written notice from the Union requesting a meeting for collective bargaining purposes.

SECTION 5. Whenever wages, rates of pay, or any other matters requiring the appropriation of monies by the Employer are included as matters of collective bargaining under the provisions of this Agreement, it is the obligation of the Union to serve notice of request for collective bargaining at least one-hundred twenty (120) days before the last day on which monies can be appropriated by the Employer to cover the contract period, which is the subject of the collective bargaining procedure.

SECTION 6. In the event the Union and the Employer are unable within thirty (30) days from and including the date of the first meeting to reach an agreement, any and all unresolved arbitratative issues may be submitted to arbitration at the request of either party, in accordance with the provisions of Title 11, O.S.A. (1978), Section 51-106 through 51-110.

ARTICLE 4

MANAGEMENT RIGHTS SECTION

SECTION 1. Union recognizes the prerogative of Employer to operate and manage its affairs in all respects and in accordance with its responsibilities, and the power of authority which the Employer has not officially abridged, delegated, granted or modified by this Agreement are retained by the Employer; and all rights, powers and authority the Employer had prior to the signing of this Agreement are retained by the Employer, and remain exclusively without limitation within the rights of the Employer.

SECTION 2. Except as may be limited herein, the Employer retains the right in accordance with the Constitution and Laws of the State of Oklahoma and the responsibilities and duties contained in the Charter of the City of McAlester, Oklahoma, and the ordinances and regulations promulgated thereunder;

A. To determine Fire Department policy, including the right to manage the affairs of the Fire Department in all respects, except as above stated;

B. To assign working hours, including overtime;

C. To direct the members of the Fire Department, including the right to hire, terminate, suspend, discipline, promote or transfer any Firefighter;

- D. To determine the table of organization of the Fire Department, including the right to organize and reorganize the Fire Department and the determination of job classifications and ranks based upon duties assigned;
- E. To determine the safety, health and property protection measures for the Fire Department;
- F. To allocate and assign work to Firefighters within the Fire Department;
- G. To be the sole judge of the qualification of applicants and training of new employees;
- H. To schedule the operations and to determine the number and duration of hours assigned duty per week;
- I. To establish and enforce Fire Department rules, regulations and orders;
- J. To introduce new, improved or different methods and techniques of operation of the Fire Department or change existing methods and techniques;
- K. To determine the amount of supervision necessary;
- L. To control the departmental budget, and;
- M. To take whatever action may be necessary to carry out the mission of the Employer in situations of emergency.

ARTICLE 5

UNION RIGHTS

SECTION 1. The Union President and his two (2) designees shall be granted time off with pay to conduct bona fide and necessary business, up to an aggregate maximum of ninety-six (96) hours during the term of this Agreement, provided, approval is obtained from the Fire Chief or his designee. Records of time off for Union business will be maintained by the Fire Department Administration. A copy of this record will be provided to the Union President and/or his two (2) designees upon request.

SECTION 2. It is agreed by the City that up to three (3) members of the bargaining unit may serve as members of the Union negotiation team for the purpose of negotiating annual agreements and shall be excused from duty without loss of pay, if prior approval is obtained from the Fire Chief. The parties expressly understand that no Union member shall receive additional compensation from the City due to the Union member's status as a member of the negotiation committee for the Union.

SECTION 3. The Union may have a bulletin board within the Fire Station, its size and location subject to the approval of the Fire Chief. It is for notices concerning Union; education, recreation and social affairs, and other matters the Union and the Employer may agree upon. It is understood that material of a

McALESTER IAFF COLLECTIVE BARGAINING AGREEMENT 2012/2013 2013/2014

political, controversial or inflammatory nature shall not be posted. For the purposes of this section, political shall be defined to include matters dealing with the administration of public affairs or pertaining to political activities at the local, state or national level. For the purposes of this Article, inflammatory shall be defined as those comments tending to excite passion, tumult or of a personal derogatory nature, especially those comments directed toward the administration of the fire service, local government or toward elected officials of the City of McAlester. The Fire Chief or his designee shall be authorized to remove any material from the bulletin board that does not conform to the intent of this Article. It shall be the responsibility of the Union to maintain the material they post, to insure prompt removal of out-dated material, and further insure that the posting of such material is limited only to the bulletin board.

ARTICLE 6

DEFINITIONS

SECTION 1. Grievance - Grievance shall mean any alleged unilateral violation of this Agreement by either party or any dispute or controversy concerning the meaning, interpretation or application of this Agreement or any terms or provisions thereof.

SECTION 2. Management - Management shall mean the City Manager, his designated representative or such other persons carrying out his directions or policies or acting in his behalf.

SECTION 3. Employee - Employee shall mean any full-time employee engaged in the occupation of fire fighting for the City, excluding the Chief and one Assistant Fire Chief or one Administrative Assistant, probationary employees and civilian employees.

SECTION 4. Immediate Family - Immediate family shall mean spouse, children, brothers, sisters, parents, guardians or other relatives of the employee who reside in employee's household and brothers, sisters and parents of employee's spouse.

SECTION 5. Probationary Period - Probationary period shall apply to any employee who has served the City Fire Department less than twelve (12) months. Probationary period for employees advancing into a higher rank shall not be less than six (6)

months, or more than twelve (12) months, at the discretion of the Chief, substantiated by written evaluation.

SECTION 6. Twenty (20) Year Anniversary Date – The anniversary date is twenty (20) years from the date of the employee date of hire in the McAlester Fire Department. Any interruption or break in service shall be added to the employee anniversary date to insure that the employee has a full twenty (20) years of service with the McAlester Fire Department.

SECTION 7. Anniversary Date – Anniversary date for all merit evaluations will occur on an employee's initial hire date and will remain with the employee during his/her entire tenure with the City of McAlester Fire Department, irregardless of promotions. For all employees who have an anniversary date based on their last promotion and were not topped out as of 7/1/2006, they will continue to have merit evaluations based on their last promotion. This date will remain with the employee for future merit evaluations irregardless of future promotions until the employee tops out and reverts to date of hire for anniversary date. (This definition will change language in a number of locations in the agreement and if the parties miss a particular location this definition is controlling.)

ARTICLE 7

PREVAILING RIGHTS

SECTION 1. All rules, regulations, fiscal procedures, working conditions, departmental practices and manner of conducting the operation and administration of the Fire Department currently in effect on the effective date of this Agreement shall be deemed a part of this Agreement, unless and except as modified or changed by the specific terms of this Agreement.

SECTION 2. It is mutually recognized by the parties that this statutory requirement applies equally to each of the parties.

ARTICLE 8

PROHIBITION OF STRIKES

SECTION 1. During the term of this Agreement, the Union agrees to prohibition of any job action, i.e. strikes, work slowdowns, mass absenteeism, or being party to such activities. In addition, the Union agrees not to petition its affiliate, AFL-CIO, for legal sanction to strike during the term of this Agreement. The Union shall not be in breach of agreement where the acts and actions heretofore enumerated are not caused or

authorized by the Union. Union shall not aid or assist any person or parties engaging in the above prohibited conduct, by giving direction or guidance to such activities and conduct, or by providing funds, financial and other assistance for the conduct or direction of such activities or for the payment of strike, unemployment or other benefit to those persons or parties participating in such prohibited conduct and activities; provided, however, that Union may provide legal representation.

SECTION 2. Upon notification, confirmed in writing by the City to Union, that certain of its members are engaging in wildcat strike. Union shall immediately in writing, order such members to return to work at once and provide City with a copy of such an order, and a responsible official of Union shall publicly order them to return to work. Such characterization of the strike is in-progress or has taken place or that any particular member is or has engaged in a wildcat strike. The notification shall be made solely on the representation of Employer. In the event that a wildcat strike occurs, Union agrees to take all reasonable, effective and affirmative action to secure the members return to work as promptly as possible.

ARTICLE 9

MUTUAL RESPONSIBILITY TO AVOID DISCRIMINATION

Nothing in this Agreement shall be interpreted as diminishing the obligation of both parties to undertake affirmative action to insure that applicants or employees are treated without regard to race, color, religion, sex, size, national origin, status or union membership, political affiliation or mental or physical handicap. Specifically, pursuant to Equal Employment Opportunity Commission Guidelines, each party is obligated to take positive action in affording equal employment, training and promotional opportunities to all members, as required by Title VII of the Civil Rights Act of 1964, as amended.

ARTICLE 10

UNFAIR LABOR PRACTICE

SECTION 1. The Employer and the Union agree that unfair labor practices, as defined in Title 11 O.S.A. (1978), Section 51-102 (6), (6a), and (6b), shall constitute unfair labor practices for the purpose of this Agreement, and shall be subject to review by the P.E.R.B. of the State of Oklahoma.

ARTICLE 11

PERSONNEL REDUCTION

SECTION 1. In the event of a personnel reduction, the employee with the least seniority shall be laid off first. Seniority shall be determined by the last date of hire within the Fire Department.

SECTION 2. No new employees shall be hired until the employee or employees laid off have been notified that an opening exists by certified or registered mail. Within fifteen (15) days after receipt of such notification, employee or employees on layoff will notify the City Personnel Office of their intention. Any employee's failure to respond within fifteen (15) days shall be considered as indication that the employee does not intend to continue his employment with the McAlester Fire Department.

SECTION 3. Employees who have been laid off shall retain the recall preference for a period of twelve (12) months from the date of individual lay off from duty.

ARTICLE 12

GRIEVANCE PROCEDURE

SECTION 1. The City, Union or any employee covered under this Agreement may file a grievance within thirty (30) days of alleged occurrence, as hereinafter defined, and shall be afforded the full protection of this Agreement. For the purposes of this Article, "City" shall mean the Fire Chief or his designated representative.

SECTION 2. The Union President, or his authorized representative, may report an impending grievance to the Fire Chief in an effort to forestall its occurrence; similarly, the Union may be so informed by the City.

SECTION 3. Any controversy between the City and the Union or any employee concerning the interpretation, enforcement or application of any provision of this Agreement shall be adjusted in the following manner:

A. The grievance shall be discussed by the employee involved with the City. The answer shall be orally submitted by the City within ten (10) calendar days to the employee involved and to the Union President.

B. If the grievance is not settled by the provision of Section 3A, it shall be submitted, in writing, to

the Union Grievance Committee. Within ten (10) calendar days, the Union Grievance Committee shall determine, in its sole discretion and judgment, whether or not a grievance exists within the terms and conditions of this Agreement.

1. If the Union Grievance Committee finds a grievance does exist, the Committee shall submit, in writing, the grievance and written report of their fact-finding investigation to the Fire Chief for adjustment.

2. If the Union Grievance Committee finds a grievance does not exist, no further proceedings shall be necessary.

C. The Fire Chief shall submit his answer, in writing, to the employee involved and to the Union Grievance Committee within five (5) business days. If the grievance has not been settled within that time, it then shall be sent to the City Manager for adjustment.

D. The City Manager shall submit his answer, in writing, to the Grievance Committee within ten (10) business days. If the Fire Chief, the employee involved, the City Manager, and the Union Grievance Committee have not settled the

grievance within that time, it shall be submitted to arbitration for adjustment as follows:

1. The bargaining agent and the City shall each select and name one (1) arbitrator and shall immediately thereafter notify each other, in writing, of the name and address of the person so selected.
2. The two (2) arbitrators so selected and named shall, within ten (10) days, agree upon and select a third arbitrator.
3. If, on expiration of the period as above stated, the arbitrators are unable to agree upon the selection of a third arbitrator, the bargaining agent and the City shall request the Federal Mediation and Conciliation Service to provide a list of five (5) arbitrators.
4. Within seven (7) calendar days from the receipt of such panel, the two (2) arbitrators already selected shall meet and alternately strike names until one (1) arbitrator remains who shall be chairman of the Arbitration Board. The parties will alternate who shall strike the first name.

5. The Arbitration Board (acting through its Chairman) shall call a hearing to be held within thirty (30) calendar days after the date of the appointment of the Chairman.
6. Within twenty (20) days after the conclusion of the hearing, the arbitrators shall issue a written opinion containing findings and recommendations with respect to the issue presented. A copy of the opinion shall be mailed or delivered to the Union and the Employer.
7. With respect to the interpretation, enforcement, or application of the provisions of this Agreement, the decision, findings and recommendations of the arbitrator shall be final and binding on the parties to this Agreement.
8. The arbitrator's authority shall be limited to the interpretation and application of the terms of this Agreement and/or any supplement hereto. The arbitrator shall have no jurisdiction to establish provisions of a new Agreement or variation of the present Agreement or to arbitrate away, in whole or part, any provisions or

amendments thereof. This shall not preclude individual wage grievance.

9. The cost of the impartial arbitrator shall be shared equally between the Union and the City. If a transcript of the proceedings is requested, then the party so requesting shall pay for it.

SECTION 4. All time limits set forth in this Article may be extended by mutual consent but if not so extended, they must be strictly observed. If a party fails to pursue any grievance within the time limits provided, he shall have no further right to continue the grievance.

SECTION 5. It is specifically and expressly understood that filing a grievance under this Article, which has as its last step final and binding arbitration, constitutes an election of remedies and a waiver of any and all rights by both parties, the Union, or other representatives of the party, to litigate or otherwise contest the last answer rendered through the Grievance Procedure in any Court or other appeal forum.

ARTICLE 13

MAINTENANCE OF PHYSICAL CONDITION AND FITNESS FOR DUTY

SECTION 1. The City and Union mutually recognize that the health and physical fitness of its Firefighters are of paramount importance. It is recognized that it is each employee's responsibility to maintain a physical condition sufficient to perform the position he/she holds. In order to maintain said condition, City may develop, and each employee shall undertake, a program of progressive physical condition and exercise on a regular basis.

SECTION 2. The City agrees that positions shall be filled with due regard to the physical capabilities of applicants and in that regard, the City may, at any time, order an employee to undergo fitness-for-duty medical examinations at the City's expense. The City will advise the employee, in writing, of the basis for the examination and shall furnish a copy of said examination to the affected employee. If it is determined by the established medical evaluation procedure that the employee in question is not physically fit for duty, a written explanation will be forwarded to the employee at that time. The employee will be placed on probation as required by the appropriate

medical authority. If the medical authority determines that a life-threatening condition exists, suspension may be ordered.

SECTION 3. An employee who is suspended or terminated from active duty for failure to meet physical requirements shall not have any of his accrued legal rights penalized by action of this Article.

SECTION 4. It is understood and agreed that the City shall seek and receive from Union input as to review and conditioning programs. It is agreed that the City and Union have, by this Article, made a mutual commitment to improve the physical health and safety of the members of the bargaining unit. The physical conditioning program shall not be employed in a disciplinary or correctional manner. Prior to participation in the program, each employee shall receive medical evaluation to establish participation parameter.

SECTION 5. Prior to implementation of a functional employment testing program and/or a program of progressive physical conditioning and exercise both Management and the Bargaining Agent must agree with the program in its entirety.

ARTICLE 14

MERIT INCREASES

SECTION 1. The parties hereto recognize that increases and steps of pay are to be granted on the basis of merit, knowledge and performance, and that employees are not automatically entitled to step increases. In order to insure proficiency in advancement, the City may administer proficiency examinations.

SECTION 2. The City will prepare proficiency examinations with respect to training and materials actually made available at least sixty (60) days prior to the testing date.

SECTION 3. All employee merit evaluations will occur on his/her current anniversary date and that date thereafter unless the employee is promoted or demoted. Anniversary date is as defined in Article 6 above.

SECTION 4. Employees promoted to a higher rank shall move one step back from the step they were in at a lower rank in the new higher pay class while the employee is on probation. Once released from probation, the employees will advance to the same pay step they had previously held, but in the new classification. If the increase in pay while on probation is less than 3 percent of the previous base pay the employee will be placed in the same

step of the new classification and will not receive an increase when released from probation.

ARTICLE 15

HOURS OF DUTY

SECTION 1. Employees shall work a schedule of twenty-four (24) hours on-duty and forty-eight (48) hours off-duty.

SECTION 2. Employees work period shall be twenty-seven (27) days averaging two hundred and four (204) hours per work period on an annual period.

SECTION 3. Shift change shall be executed at 0700. In the event an employee is moved from one station to another station during the normal shift the employee will receive normal city mileage for the distance they travel from one station to another to compensate him/her for use of their personal vehicle. The travel expense will be calculated and submitted quarterly.

SECTION 4. It is agreed that members of the bargaining unit who are injured as a result of their personal pursuits while on the Employer's premises shall have no basis for claim against the Employer under Title 85 of the Oklahoma Statutes, entitled "Workmen's Compensation".

ARTICLE 16

CALL BACK AND OVERTIME

SECTION 1. Employees who are called back to duty from an off-duty status shall be credited with a minimum of one (1) hour of duty at a time and one-half computation. A callback list shall be established beginning with the most senior fire department member to the least senior member. When situations arise that require one or more employees to be employed for 12 hours or more at time and one-half (1 1/2) their regular rate of pay, due to occurrences relating to manning the employee at the top of the list, will be given the opportunity to work the overtime. Regardless of whether the employee is unable to work or works the callback, his name will go to the bottom of the list. The next employee rotates into the top spot until all employees have been given the opportunity to work the callback.

SECTION 2. Overtime shall consist of authorized duty in excess of the number of hours in any scheduled work week. Checking in and checking out time shall not be counted when computing overtime. The Fire Chief or City Manager shall have the authority to schedule departmental meetings six (6) times annually. These meetings will be mandatory for attendance.

SECTION 3. No member of the bargaining unit shall be awarded overtime compensation without the prior approval of the Fire Chief or his designee.

SECTION 4. Each employee shall furnish the Manager's Office with a letter from his "outside" employer stating the employee acknowledges that the McAlester Fire Department is his primary responsibility. All "outside" employment shall be approved by the Fire Chief or City Manager each year.

ARTICLE 17

HOLIDAY BANK TIME

SECTION 1. Each employee shall be granted thirteen (13) days of holiday bank time on the first day of January.

SECTION 2. Employees may take holiday bank time at any time subject to the following:

- A. It must be approved and scheduled in advance with the Fire Chief or his designee;
- B. It must be taken in amounts not less than twenty-four (24) hours at one occurrence.
- C. Earned time may be taken in twelve (12) hour increments with approval of Captain. Captains shall request approval from the Fire Chief.

SECTION 3. Holidays observed by the City are:

- A. New Year's Day
- B. Martin Luther King Day
- C. Good Friday
- D. Memorial Day
- E. Independence Day
- F. Labor Day
- G. Presidents Day
- H. Veterans Day
- I. Thanksgiving Day and the Friday following Thanksgiving Day
- J. Christmas Day and the day before or the day after, that day being the same as observed by other city employees;
- K. Birthday

SECTION 4. In the event other City employees receive an extra holiday during the year, the members of the Fire Department will receive an extra holiday also.

SECTION 5. All holidays are to be scheduled and used in the calendar year in which the hours are accrued. The only exception will be where an individual cannot take certain hours of leave due to the demands of work as determined by the Fire Chief or his designee. All hours not used at the end of the calendar year must

be used within the next three months and, if they cannot be used due to work demands as determined by the Fire Chief, the hours will be paid out of the next regular pay period following March 30th of the applicable year. Subject to this exception, holiday leave hours cannot be carried over from year to year.

SECTION 6. Firefighters working holidays shall accrue twelve (12) hours of comp time for working that holiday. This comp time accrual is restricted to fire department employees working the majority of the holiday.

SECTION 7. Firefighters will receive comp time for time spent in class off-duty when the city determines that they are not going to pay for the expenses related to the class or registration fees. These training classes include any class instructed by OSU Fire Service Training or National Fire academy except those incentives taught at the McAlester Fire Department by McAlester Fire Department instructors with comp time earned on an hour for hour actually spent in class.

ARTICLE 18

SICK LEAVE

SECTION 1. Each member of the bargaining unit shall accumulate accrued sick leave at the rate of one (1) day per month.

SECTION 2. All sick leave accrual shall be subject to a maximum accrual of ninety (90) days as of January 1st of each year.

A. Employees hired prior to July 1, 1997, shall sell back one and one-half (1.5) days of accumulate sick leave per month beginning when the employee reaches seventeen and one-half (17.5) years of employment with the McAlester Fire Department. The hourly rate shall be recalculated in January and July of each year and any increase in pay in the last six (6) months shall be used to calculate buyback rate. After the employee=s twenty (20) year anniversary date the City shall have no further obligation to buy the employee=s accumulated leave. However, the employee following his twenty (20) year anniversary date shall be able to accumulate up to forty-five (45) shifts of sick leave. This additional accumulation, plus any sick leave that may have been

accumulated prior to the twenty (20) year anniversary date that was not subject to buyback, at retirement, these employees will not be compensated for accrued but unused sick leave.

B. Employees hired after July 1, 1997, will not be entitled to sell back or be compensated for accrued but unused sick leave prior to retirement as stated in Sub-section A. At retirement, employees will be entitled to be compensated for a maximum of 720 hours of accrued but unused sick leave, depending on the amount of accrued leave.

C. Employees hired after July 1, 2007, will not be entitled to sell back or be compensated for accrued but unused sick leave prior to retirement as stated in Sub-section A. At retirement, employees will be entitled to be compensated for a maximum of 260 hours of accrued but unused sick leave, depending on the amount of accrued leave.

D. Upon separation, prior to an employee becoming eligible to receive their regular service pension, the employee shall be paid for unused sick leave on a one to three basis i.e. pay for one (1) shift for each three (3) shifts of accumulated leave. However, no employee may receive payment for more than the number of hours set forth in Subparagraph

A, B and C above, respectively based on hire date. The parties acknowledge that Administrative Policy No. 27 and Section 3.02 entitled Compensation for Unused Sick Leave contained in the City's Personnel Manual shall not apply to those employees covered by subsection A, B and C above.

SECTION 3. Computation of sick leave shall be accomplished and recorded as of December 31st of each year by crediting each employee with one (1) day of sick leave for each month of employment during that year, and then deducting one (1) day for each shift period used as sick leave.

SECTION 4. Sick leave shall be used when sickness or injury incapacitates employees, which is not job-related.

SECTION 5. Sick leave with pay shall be granted to employees in accordance with the following provisions:

A. Sick leave used shall not exceed the total amount accrued to the employee at the time of his absence;

B. Leave without pay may be granted by the Chief or his appointed designee for sickness or injury extending beyond the amount of accrued sick leave;

C. Non-scheduled work days shall not be included in computing sick leave expenditures; employees shall be granted up to two (2) work days of sick leave as

emergency leave with pay in the event of a death or serious illness of the employees or employees' spouses, immediate family and/or grandparents, grandchildren, aunts and uncles.

SECTION 6. Employees who are absent from duty for reasons which entitle them to sick leave shall notify the Chief, or his designee, within a reasonable time after their usual reporting time, if physically able to do so. Reasonable time is generally considered to be one (1) hour after the usual reporting time.

SECTION 7. Sick leave with pay in excess of two (2) work days for reasons of personal illness or injury shall be allowed only after presentation of a written statement by physician certifying that the employee's condition or his immediate family's condition prevented him from appearing for work or presenting himself for duty. Employee calling in for sick leave shall leave telephone number and address where he/she can be reached. Employee will be checked. Failure to answer telephone check will result in loss of pay for that shift. A written reprimand will accompany the loss of pay.

SECTION 8. All costs for medical care required by employee because of an injury in the line of duty shall be the responsibility of the City through the Workmen's Compensation

system. However, an employee may not receive both paid benefits in the form of sick leave and/or injury leave, and concurrently receive benefits in the form of temporary disability payments through the State-required Workmen's Compensation System.

SECTION 9.

A. Employees who accrue sick leave in excess of their maximum accumulation days during any year shall be permitted to exchange such excess for annual leave time on a three to one (3 to 1) basis (three (3) sick days of such leave for one (1) day of annual leave) or to be paid for such excess on the same basis (payment for one (1) annual leave day for each three (3) sick days). Excess sick leave will be exchanged for annual leave at the rate of three (3) for one (1) in January following the year in which it is earned.

B. A one-day bonus shall be given to any member of the Fire Department who has not used a sick day during the year. Accumulation of ninety (90) sick days is not necessary to receive the bonus day. The City reserves the right to determine whether any buy back of sick leave shall occur. For buy back purposes, refer to Administrative Policy No. 27. Buy back of sick leave under Section 2A shall have no effect on receiving the one (1) day bonus. Bonus day is to be taken and not bought back.

SECTION 10. As a matter of definition, one sick day will be equal to one twenty-four hour shift. This sick day accrual will be at the rate of one day per month.

SECTION 11. Upon depletion of sick leave for any reason, the City will grant an employee one-shift advancement of sick leave for every year of service up to a maximum of twenty (20) shifts. The employee will pay back any advancement within a thirty (30) month period.

Employees will be eligible for the employee donation program if they have exhausted all sick leave, including any advanced leave by the Employer. Any advance not paid back when an employee terminates for any reason may be deducted from employees' last check.

ARTICLE 19

INJURY LEAVE

SECTION 1. Injury leave shall be granted to any member of the bargaining unit who is injured on the job or who contracts an occupational illness on the job.

A. Injury leave will not exceed sixty (60) consecutive scheduled shifts for each injury or occupational illness.

B. Injury leave will be granted only on the written recommendation and evaluation of a medical doctor. In the event an employee is granted injury leave, such employee shall submit a physician's written evaluation for each thirty (30) days so granted for injury leave, or any portion thereof, until said employee returns to work.

C. Injury leave granted under this provision will not be applied against accumulated sick leave. Employees will not accumulate sick leave during the time they are on injury leave.

D. Should an employee die as a result of an occupational illness or injury sustained on the job, the City agrees to pay funeral expenses of the deceased employee up to a maximum of \$5,000.

ARTICLE 20

SENIORITY

SECTION 1. Seniority shall mean the status attained by length of continuous service for the Employer. It shall commence from the date on which the employee becomes a regular employee upon satisfactory completion of, not to exceed one (1) year, probationary period.

SECTION 2. Upon completion of the probationary period, the employee shall be credited toward seniority with the time served during the probationary period.

SECTION 3. Where two or more employees in the same classification were appointed on the same date, their relative seniority standing shall be determined in the order of their employment application.

SECTION 4. Seniority shall be lost upon the occurrence of any of the following:

- A. Discharge, if not reversed;
- B. Resignation;
- C. Unexcused failure to return to work upon the expiration of a formal leave of absence, and
- D. Retirement.

ARTICLE 21

UNIFORM ALLOWANCE AND PROTECTIVE EQUIPMENT

SECTION 1. Such uniforms and/or equipment will be repaired or replaced by the City, when, in the opinion of the Chief, or his designee, such repairs or replacements are deemed necessary.

SECTION 2. Each employee shall be responsible for the proper care and maintenance of his assigned protective equipment, and if such equipment is lost or damaged through over-sight or inattention by the individual employee, then said employee shall be financially responsible for the repair or replacement of such equipment.

SECTION 3. Each employee shall receive a clothing allowance in the amount of four hundred fifty dollars (\$450.00) per year, to be used only for the purchase and replacement of items of uniformed clothing as prescribed by the Fire Department Rules and Regulations. Employee may submit requests for uniform purchase, said purchase to be charged against his/her uniform allowance. Footwear shall be limited to a maximum of one hundred fifty dollars (\$150.00) to be deducted from the four hundred fifty dollar (\$450.00) clothing allowance. Scuba or repelling equipment should be limited to a maximum of two hundred seventy-

five (\$275.00), which will be deducted from the four hundred and fifty dollar (\$450.00) annual clothing allowance.

SECTION 4. The City shall make every good faith effort to schedule a uniform vendor on the premises, on not less than a quarterly basis.

ARTICLE 22

ANNUAL LEAVE

SECTION 1. Employees with zero (0) to five (5) years of service shall earn twelve (12) hours per month of annual leave with pay each calendar year, or a total of six (6) days per year.

SECTION 2. Employees with five (5) to ten (10) years of service shall earn twenty (20) hours per month of annual leave with pay each calendar year or a total of ten (10) days per year.

SECTION 3. Employees with excess of ten (10) years of service shall earn thirty (30) hours per month of annual leave with pay each calendar year or a total of fifteen (15) days per year.

SECTION 4. The vacation schedule shall be posted no later than the 1st day of February, and employees may sign and bid for vacation scheduling through the 1st day of March. Seniority shall be a factor in granting annual leave. The Fire Chief or his designee shall schedule annual leave.

SECTION 5. Employees may accumulate annual leave up to a maximum of forty-five (45) calendar days. The City may buy back any excess annual leave over the forty-five (45) day maximum but not to exceed the (10) days over forty-five (45) days. The City reserves the right to determine whether any buy back shall be affected.

SECTION 6. One (1) day equals twenty-four (24) hours (1 = 24 hours).

SECTION 7. An employee's annual leave accumulation shall be reduced by at least one and one-half (1.5) days per month beginning when the employee reaches seventeen and one-half (17.5) years of employment with the McAlester Fire Department. As the accumulation is reduced, the City shall pay the employee for the excess over accumulation. The City shall be required to purchase ~~no~~ more than two and one-half (2.5) days per month of excess annual leave at the employee's normal rate of pay on an hour per hour basis. The hourly rate shall be recalculated in January and July of each year and any increase in pay in the last six (6) months shall be used to calculate buyback rate.

SECTION 8. However, the employee following his twenty-year anniversary date shall be able to accumulate up to twenty-two and one half (22.5) shifts of annual leave, the City shall have no

further obligation to buy the employee's accumulated leave nor will any additional accumulated leave be subject to buy back.

ARTICLE 23

DUES AND SUBSCRIPTIONS

SECTION 1. The employer agrees to pay all dues, certification fees, recertification fees, and subscription fees for all employees qualified for membership or certification in the following organizations:

- A. Oklahoma State Firefighters Association;
- B. National Registry of Emergency Medical Technicians;
- C. Oklahoma State Emergency Medical Technicians Association.
- D. Pittsburg County Fire Fighters Association

ARTICLE 24

INSURANCE

SECTION 1. The City shall have no responsibility to offer or provide any insurance to members of the bargaining unit. The City shall pay to the designated representative of the members of the bargaining unit an amount equal to the city's cost in providing each City employee with medical, dental and life

insurance or ~~\$641.19~~ \$603.11 per bargaining unit member, whichever is more.

SECTION 2. Should the bargaining agent provide the City thirty days' notice prior to the beginning of a new contract year that they wish to join the City's medical insurance plan, the City agrees to accept all employees subject to acceptance by the City's insurance carrier.

SECTION 3. The Employer agrees to payroll deduct dependent coverage for members of the bargaining unit who have authorized and approved such payroll deduction.

ARTICLE 25

UNIFORM MAINTENANCE ALLOWANCE

SECTION 1. Each employee shall be responsible for cleaning and laundering of uniforms and maintenance of footwear.

ARTICLE 26

LONGEVITY SERVICE PAY

SECTION 1. In addition to the base rate for each position, City agrees to provide a longevity service pay benefit for each member of the bargaining unit, which shall be calculated on a

basis of five-dollars (\$5.00) per month for each year of continuous service with the City. The longevity benefit shall commence with the fifth anniversary date of employment. Said longevity shall be paid semi-annually in the months of June and December of each calendar year with a maximum benefit of thirty (30) years.

ARTICLE 27

DUES DEDUCTIONS

SECTION 1. City agrees to deduct regular monthly Union dues from earned wages of those members of the bargaining unit. The deduction shall be made from one (1) paycheck each month. The check for the total payment of dues withheld by the City shall be made monthly to the Secretary-Treasurer of the Union.

SECTION 2. Employees authorizing deductions shall present an executed authorization card to the City more than thirty (30) days prior to the beginning date of the deduction.

SECTION 3. City shall deduct dues only from employee's paycheck, and will not deduct initiation fees, special assessments, fines or other deductions. Deductions shall be at a stated rate throughout the term of the collective bargaining agreement executed herein. No deductions shall be made when the salary to be paid an employee is not sufficient to cover the amount to be deducted.

SECTION 4. All deductions will be for the month in which they are taken. All deductions refundable at the time of termination or resignation shall be refunded by the Union. The City shall not be responsible for errors or omissions. In the case of an error or improper deduction made by the City, a proper adjustment of same shall be made by the Union with the employee affected.

SECTION 5. The Union shall indemnify, defend, and hold the City harmless against any and all claims made, and against any suit instituted against the City on account of payroll deduction of Union dues. The cost for the payroll deduction service charged by the City shall be in accordance with the following:

- A. All extra work or expense incurred by the City because of requests or delays in furnishing information, materials, or supplies by the Union, or due to the furnishing of indefinite, erroneous or conflicting data shall be paid for or borne by the Union. The charges are to be based upon the City's actual cost and will be due and owing to the City upon delivery of an itemized invoice to the Union;
- B. For normal services contemplated by this section, the Union shall be charged \$200.00 per year.
- C. City shall not be liable either at law or equity for any damages incurred by the Union which occurs from the City's non-performance or delay of the duties and obligations of this

covenant, where such non-performance or delay is due to fire, electrical or machine failure, strike, lock-out, governmental order or regulation, or any other failure similar or dissimilar beyond the City's reasonable control.

D. Any member of the Union wishing to stop Union dues deductions shall notify the personnel/payroll office by the first day of each month.

E. Employees in the bargaining unit who are not members of the Union may voluntarily elect to have an amount deducted from their paycheck, which reflects 85% of the monthly Union dues amount. In order to provide for such a voluntary, monthly deduction from a paycheck, an employee must present an executed authorization card to the City more than thirty (30) days prior to the beginning date of the deduction. Further, any such employee may revoke such authorization and such voluntary deduction at any time, upon presenting written notice of revocation to the City more than thirty days prior to the next deduction.

SECTION 6. The Employer agrees to make payroll deductions of an IAFF payroll assessment fee in addition to those provided in Section 1 from the paychecks of dues-paying members of the Union. The assessment shall be applicable to members who have signed and have on file with the Employer a voluntary, effective, authorized and

approved payroll deduction card. The special assessment shall be revocable by the Employee notifying Employer in writing. The Union shall be notified of any revocation.

ARTICLE 28

WAGES

SECTION 1. For FY ~~2012-2013~~ **2013-2014**, members will not receive an across the board increase effective as of July 1, **2012** **2013**.

FIREFIGHTERS PAY RANGE

Captains C-19

Lieutenants C-17

Operators C-15

Firefighter II C-13

Firefighter I C-11

Probationary Firefighter C-9

SECTION 2.

A. All members of the Fire Department shall obtain State EMT Certification within the first two (2) years of employment with the McAlester Fire Department unless circumstances warrant extending the time period by the Fire Chief. After the first registry obligation there will be no further requirements to maintain National EMT Certification status. Each

firefighter/officer shall receive an additional \$20.00 per month per training sticker, not to exceed \$470 per month for all stickers and units inclusive and those identified by separate article in Article 36. Only five (5) refresher stickers will be counted toward training sticker incentive pay. The second five (5) training stickers may include one (1) refresher sticker per course only. Each party reserves the right to request reopening this contract if requirements of EMTs change during the course of this contract period.

B. Each firefighter obtaining an Associate's Degree shall receive \$25.00 per month over base salary. Each firefighter obtaining a Bachelor's Degree shall receive \$50.00 per month over base salary. Each firefighter obtaining a Master's Degree shall receive \$75.00 per month over base salary. These educational incentives are not cumulative, and satisfactory proof of qualification must be provided by the firefighter.

C. Each firefighter shall receive an additional \$10.00 a month for obtaining the first instructor certification and \$5.00 a month for the next three (3), with a maximum of \$25.00 a month. Instructor certifications are limited to Instructor Level I, Instructor Level II, Fire Cause Determination and Investigation (FCDI), Level I, FCDI, Level II and CPR Instructor.

D. Each firefighter/officer shall receive an additional \$50.00 per month over base salary for obtaining the qualifications required to be a Fire Department Inspector/Investigator.

E. Each firefighter/officer shall receive an additional \$5.00 per month per Hazardous Material Training course not to exceed \$25.00 per month. Each firefighter/officer shall receive an additional \$5.00 per month per Hazardous Material Train-the-Trainer course or Hazardous Material Response Team Instructor (as identified in Article 36, Section 4) not to exceed \$25.00 per month. This incentive is no long obtainable after 07-01-05. Incentives earned under this sub-section prior to 07-01-05 shall continue.

F. Certified EMT instructors shall receive one hundred fifty dollars (\$150.00) a month incentive pay. No more than two EMT instructors will be eligible to receive this pay and the Fire Chief shall be responsible for making the assignments.

G. No more than three employees will be assigned to perform mechanic duties. These employees will receive an additional \$150.00 per month incentive pay. Duties are outlined in the Rules and Regulations. Designation of the mechanics and any additional duties and responsibilities shall be solely designated by the Fire Chief.

H. Each firefighter will be paid twenty (\$20) dollars per month for completion of any OSU rescue series and vehicle extrication. This is subject to the incentive limitation as identified in Article 28, Section 2a. All members of the McAlester Fire Department shall obtain and maintain Hazardous Materials Operations Level Certification. Any employee wanting to receive incentive pay and serve on Hazardous Materials Response Team (HMRT) at Technician certification level will be paid an additional seventy-five (\$75.00) per month. Not subject to limitation as identified in Article 28, Sec.2-A. Employees may sign up for this incentive upon completion of the course or each year in July. Employees may remove this incentive after two (2) years of signing up. (This would allow for the choice to be on the HMRT.) Should the number of Techs fall below the required minimum, the Employer may request negotiations and re-open this section of the agreement with ten (10) days notice to the Bargaining Agent.

I. The Fire Marshal shall receive an additional one hundred fifty dollars (\$150) per month for successfully completing and maintaining CLEET Certification and Bonding.

SECTION 3.

A Firefighter shall obtain the rank of Firefighter II after:

- A. The successful completion of Oklahoma State Fire Service Training Recruit School.
- B. The successful completion of EMT basic training and issuance of the Oklahoma State EMT registration.
- C. The successful completion of five (5) Oklahoma State Fire Service training stickers.
- D. Anniversary date shall be date of obtaining rank of Firefighter II.

SECTION 4. A new recruit has to have complete OSU training courses A and B, Recognizing and Identifying Hazardous Materials, and Wild Land Fire. Rodney Ragan and Larry Glover shall be grandfathered in as having completed these courses even though OSU Fire Service Training does not recognize that they have completed the course.

ARTICLE 29

SAVINGS CLAUSE

SECTION 1. If any provision of this Agreement or the application thereof to any person or circumstance is held invalid, the invalidity shall not effect other provisions or applications of this Agreement which can be given effect without

the invalid provision or application, and to this end, the provisions of this Agreement are severable.

SECTION 2. It is understood that the foregoing is a complete understanding of all the terms and conditions of employment to be governed by this Agreement during the contract period, and it cannot be altered in any manner save by the complete written concurrence of the parties subscribing hereto.

SECTION 3. Any Appendices to this Agreement shall be numbered, dated and signed by the Employer and the Union, and shall be subject to the provisions of this Agreement unless the terms of said Appendices specifically delete or change a provision of this Agreement; and all Appendices shall become part of this Agreement as is specifically set forth herein.

SECTION 4. It is understood that all time limits found within this Agreement may be extended by mutual concurrence.

ARTICLE 30

REIMBURSEMENT FOR PERSONAL PROPERTY

SECTION 1. Personal articles necessary to enable Firefighters to better perform their duties that are damaged or broken in the line of duty shall be repaired or replaced at the

option of the City; however, with regard to watches, the City's responsibility to repair or replace may not exceed \$75.00.

SECTION 2. Personal articles, as contained in this Article, shall include, but are not limited to: 1. Prescription eyeglasses and/or contact lens; 2. Dentures; 3. Hearing aides; 4. Watches; 5. Medical ID jewelry.

SECTION 3. A written report of the damage or breakage shall be made to the on-duty Shift Commander when such damage or breakage occurs.

SECTION 4. When repair or replacement is necessary, the Firefighter's report stating how, when, and where such damage or breakage occurred shall be forwarded to the Fire Chief.

ARTICLE 31

WORKING OUT OF CLASSIFICATION

SECTION 1. When an authorized budgeted position is temporarily and/or permanently vacant and the Fire Chief has authority to fill said vacancy, the Fire Chief shall appoint an employee to fill said vacancy on a temporary basis.

SECTION 2. After forty-five (45) calendar days from the date of actual vacancy, an employee appointed to fill that position on a temporary basis shall be entitled to receive the

base salary pay of that position. Once the position is permanently filled, this working out of classification pay shall cease on the date of the permanent appointment.

ARTICLE 32

GARNISHMENTS AND LEVY ON WAGES

SECTION 1. Employees shall be expected to pay their bona fide debts so as not to bring discredit to the department and the City.

SECTION 2. Failure to comply with this Article by means of the City being served with a Garnishment and/or Levy on Wages on an employee may be cause for dismissal, providing such employee has had more than two (2) Garnishments and/or Levy on Wages served on the City for process within one (1) calendar year, excluding continuous orders.

ARTICLE 33

UTILITY SUBSIDY

SECTION 1. Each employee residing within the McAlester City limits will be required to pay 100% of his/her municipal utility bill.

ARTICLE 34

SHORT TIME LEAVE

SECTION 1. Fire personnel may take leave off in twelve (12) hour increments, provided such absence does not create manning problems. Such short-time leave shall be deducted from accrued, unused holiday, sick or annual leave, as appropriate under existing criteria for leave usage in Article 17, 18 or 22, subject to Management or Management's designee's discretion as listed in each specific article.

ARTICLE 35

PROMOTION PLANS FOR McALESTER FIRE DEPARTMENT

SECTION 1. The Promotion Board shall consist of five members: City Manager or his designee, Fire Chief, Local 2284 Union President, and two (2) at-large firefighters elected by the Bargaining Unit. The City Manager, Fire Chief, and Union President shall serve as long as they occupy the office described above. The at-large representatives shall serve a period of two (2) years. Each member shall have one (1) vote and the majority of the votes shall be the final decision on Promotion Board matters. The Fire Chief shall serve as Board Chairman.

SECTION 2. Eligibility questions and Promotional Issues not contained specifically herein shall be posed to the Promotion Board for a ruling. If such an issue should arise any member will call the Board Chairman and it shall be his purpose to set notice, call meetings, and notify each member when a Promotion Board meeting is required.

SECTION 3. All testing for promotion shall contain at least three (3) applicants. In the event there are not three (3) applicants eligible as identified in Section 4, the Promotion Board shall recess back one day at a time, utilizing time in service, until at least three (3) applicants are obtained. If more than one applicant falls eligible in the same day that the third applicant has become eligible, then these applicants will likewise be eligible.

SECTION 4. Eligibility requirements for promotion shall be:

A. Driver/Operator - Must have been a firefighter for three (3) years without any interrupted service with the McAlester Fire Department.

B. Lieutenant - Must have six (6) years of uninterrupted service with the McAlester Fire Department and three (3) years of the six (6) years must have been as a Driver/Operator.

C. Captain - Must have nine (9) years of uninterrupted service with the McAlester Fire Department and three (3) years of the nine (9) years must have been as Lieutenant.

D. Training Captain/Fire Marshal - Must have nine (9) years of uninterrupted service with the McAlester Fire Department and three (3) years of the nine (9) must have been as a Lieutenant. Must have satisfactorily completed the following O.S.U. Fire Service Training Courses:

Fire/Arson Detection (12 hours),

Fire Cause Determination and Investigation Level II (72 hours), Fire Instructor Level II

Inspection Practices (60 hours),

Three (3) college hours relating to Fire Inspection Practices or a Fire Service Training Inspection Certificate from O.S.U., and eight (8) weeks of Basic Police Academy Training by C.L.E.E.T.

Should any employee applying not have the required C.L.E.E.T. training or the three (3) college hours relating to Fire Inspection Practices but meet all other criteria, then these requirements shall be waived. The Fire Marshal appointed will have up to one (1) year to successfully complete these requirements unless Management determines that additional time is necessary to complete these requirements.

SECTION 5. All tests shall be administered by O.S.U. Fire Service Training and shall consist of 100 multiple choice, true/false, or matching questions; the combination to be determined by O.S.U. Each question shall be worth one (1) point each. For Captain the test questions shall come from the most current edition of the following books: Company Officer, 40 questions; Fire Instructor, 30 questions; Essentials, 30 questions. For Lieutenant the test questions shall come from the most current edition of the following books: Company Officer, 35 questions; Fire Instructor, 30 questions; Essentials, 35 questions. For Driver/Operator the test questions shall come from the most current edition of the following books: Apparatus, 60 questions; Essentials, 40 questions. Passing score shall be a minimum of 60 points. If an applicant achieves the minimum passing score, they shall add one (1) point for each year of service over the minimum eligibility requirement for the position; they shall add one (1) point for each year of in grade-service over the minimum eligibility requirements; they shall add one (1) point for each Certified Fire Instructor class (I or II) and one (1) point for each Fire/Arson class (I or II). A practical examination on streets, driving and operation of tools and apparatus utilizing a checklist shall be prepared and agreed upon by both parties on the Driver/Operator exam and a copy of

the last street exam be provided to all applicants two weeks prior to the exam. This checklist and street test will be prepared within the Department, with the street test being prepared and the streets chosen on the day of the exam. For Fire Marshal/Training Captain the test questions shall come from the most current edition of the following books: Company Officer, 30 questions; Fire Instructor, 30 questions; Essentials, 10 questions and Inspection Practices, 30 questions.

SECTION 6. The Fire Chief shall make the promotional appointment from either of the top two (2) applicants with the highest total score. If the highest scoring applicant is not chosen the Chief shall give a reasonable explanation of why the highest scoring applicant was not chosen. Scores shall remain valid and eligible for one (1) year. If another vacancy occurs within this one (1) year, the Chief shall then make his appointment from the top two (2) applicants on the eligibility list.

SECTION 7. Any employee who has been reduced in rank by administrative action or on his/her own accord will not be eligible to test for that position for a period of one year.

SECTION 8. The Chief or his designee shall post an opening for promotion testing within thirty days from the date the position has become vacant.

SECTION 9. Any applicant who is eligible to test for any promotion shall notify the Chief in writing within the allotted deadline.

SECTION 10. Upon the Fire Chief's promotional appointment the successful appointee will have a performance evaluation in six (6) months to sustain the appointment.

ARTICLE 36

DEPARTMENTAL FIRE SERVICE TRAINING

SECTION 1. Basic Continuing Education – Basic fire fighting continuing education shall consist of the following O.S.U. Fire Service courses and the minimum training required for completion of each course.

Unit 1-U1, Forcible Entry, Rope and Portable Fire
Extinguisher-18 hours

Unit 2-U2, Ladder Practices-30 hours

Unit 3-U3, Hose Practices-30 hours

Unit 4-U4, Salvage and Overhaul Practices-24 hours

Unit 5-U5, Fire Stream Practices-48 hours

Unit 6-U6, Fire Apparatus Practices-60 hours

Unit 7-U7, Ventilation Practices-20 hours

Unit 8-U8, Rescue Practices-48 hours

Unit 9-U9, First Aid Practices-40 hours

Unit 10-U10, Inspection Practices-60 hours

SECTION 2. Change over to New System - Both parties agree that the Fire Department shall change over to the new O.S.U. Fire Service record-keeping system on July 1, 1993.

SECTION 3. Additional Continuing Education Courses
Additional fire-fighting continuing education shall consist of the following O.S.U. Fire Service courses, under the new record-keeping system, and the minimum training required for completion of each course.

Unit 11-U11, Basic Strategy and Tactics-30 hours

Unit 12-U12, Firefighter Safety and Protective Equipment-24 hours

Unit 13-U13, Fire Behavior and Chemistry of Fire-24 hours

Unit 14-U14, Self-Contained Breathing Apparatus and Cascade-12 hours

Unit 15-U15, Company Officer-30 hours

Unit 16-U16, Public Fire Education-18 hours

Unit 17-U17, Wild Land Firefighting Fundamentals-16 hours

Unit 18-U18, Leadership for Company Officer-30 hours

Unit 19-U19, Industrial Fire Protection-20 hours

Unit 20-U20, Fire Fighter Health and Safety-36 hours

SECTION 4. Hazardous Material Training - Hazardous material training courses shall consist of the following O.S.U. Fire Service, N.F.A. Fire Service Training courses and/or Train-the-Trainer hand-off courses and the minimum training required for completion of each course.

Hazardous Materials Incident Analysis-12 hours

Hazardous Materials the Pesticide Challenge-12 hours

Recognizing and Identifying Hazardous Materials-8 hours

Incident Command System-12 hours

Hazardous Materials Response Team Training-36 hours

Hazardous Materials Operations-48 hours

Hazardous Materials Technician-80 hours

LPG Class 12 hours

Emergency Vehicle Driver Training 8 hours

Confined Space Operations 24 hours

Confined Space Rescue 40 hours

Emergency response to terrorism 16 hours

Should any of the "Hazardous Material Train the Trainer" courses be discontinued by the O.S.U. or N.F.A., employees having had the course either within the Fire Department or outside the

department and being certified as a Level I or II instructor shall then meet the qualifications required to instruct these courses within the McAlester Fire Department and receive the incentive pay attached to these courses.

Each firefighter who attends Officer and Leadership courses that are only offered through OSU Fire Service Training or National Fire Academy and taught by their instructors will qualify as additional continuing education courses as if listed in Section 3.

ARTICLE 37

PENSION/RETIREMENT

SECTION 1. In accordance with 11 O.S. 49-122, the City shall contribute the statutorily required percentage of the employees' total actual paid gross salaries to the Oklahoma Firefighters Pension and Retirement System.

SECTION 2. In accordance with 11 O.S. 49-122, the employee shall contribute eight percent ~~(8%)~~ **(9%)** to the Oklahoma Firefighters Pension and Retirement System. The new conversion calculation shall begin on December 1, 2006.

SECTION 3. All other terms of pension and retirement shall be governed by the Oklahoma Firefighters Pension and Retirement System as provided in 11 O.S. 49-100.1 to 11 O.S. 49-143, et al.

ARTICLE 38

TRANSFERS

SECTION 1. Any Full-time employee working for the City of McAlester excluded as an employee under the terms and conditions of this agreement may transfer into the Fire Department and the Bargaining Unit subject to approval by the Fire Chief and City Manager and pursuant to the terms of the agreement and the following sections.

A. Any full-time employee who is approved for transfer into the Fire Department shall be allowed to transfer annual leave and sick leave accumulation into the Fire Department at a rate of eight (8) hours per day of accumulated leave. Annual leave accrual rates shall be based on time in service as an employee as defined in Article 6 of the Agreement.

B. Any full-time employee who is approved for transfer into the Fire Department shall have longevity figured on continuous time in service with the City of McAlester rather than service with the Fire Department.

C. Any full-time employee who is approved for transfer into the Fire Department shall begin his/her salary at

the beginning pay classification, Step One (1) for a Fire Recruit. However, if the employee has prior documented fire service experience or is at least a Certified EMT he/she may begin his/her salary at Steps Two (2) or Three (3) but still at the same pay grade of a Fire Recruit.

D. Any successful applicant who is not a City employee shall likewise start at the Fire Recruit pay classification, Step One (1) unless he/she has prior documented fire service or is at least a Certified EMT.

He/she too, must start at the Fire Recruit pay classification but start at a higher step grade as described in Section Four.

SECTION 2. Fire Department Employees (as defined under Article 6) transferring within the Department from a Line position to a Staff position or from a Staff position to a Line position shall make the conversion pursuant to the terms of the agreement and the following sections or sub-sections.

A. Any employee transferring from a Line position to a Staff position shall be allowed to maintain all annual leave and sick leave accumulations based on the total hours allowed under Article 22 and Article 18.

Example: A) 45 days X 24 hrs = 1080 hours of annual

leave accumulation. B) 90 days X 24 hrs = 2160 hours of sick leave accumulation. The employee may exercise an option to have all hours of accumulation reduced to eight hour days and to be compensated for all excess leave over and above the maximum accumulations on an hour for hour basis at the employee's regular hourly rate of pay. Example: 1200 hours of annual leave accumulation reduced to maximum of 360 hours leaving 840 hours to be bought back by the City at the employee's hourly rate; or 2400 hours of sick leave accumulation reduced to maximum of 720 hours leaving 1680 hours to be bought back by the City at the employee's hourly rate.

B. Any Employee transferring from a Line position to a Staff position shall accrue or earn annual leave and sick leave in the following manner.

1. Employees with less than nine (9) years of service shall not be allowed to transfer from a Line position to a Staff position.
2. Employees with nine years of service shall earn fourteen (14) hours per month of annual leave with pay each calendar year or a total of twenty-one (21) days per year and shall take

annual leave based on eight (8) hours = one (1) day of leave.

3. Staff employees will earn sick leave at a rate of eight (8) hours per month and shall take sick leave based on eight (8) hours = one (1) day of leave.

4. Staff employees will receive thirteen (13) holidays based on eight (8) hours = one (1) holiday.

5. Staff Employees shall begin to earn their leave and Holidays based on an eight (8) hour day (forty (40) hour work-week) on the first (1st) day of the month following the transfer from line to staff. All leave and holidays earned prior to this date will be at the 24-hour day. (Fifty-three (53) hour week)

6. Staff Employees shall work a schedule of eight (8) hours per day five (5) days per week or forty (40) hours per week. The daily and weekly work schedule is flexible and may be scheduled with the approval of the Chief as long as forty (40) hours per week are scheduled and worked.

C. Fire Department Employees (as defined under Article 6) transferring within the department from a Staff position to a Line position shall earn and accumulate all leave as listed in the specific article of the agreement for such leave beginning on the first (1st) day of the month the transfer takes place. All leave and holidays earned while employed as a Staff Employee will be at eight (8) hours = one (1) day rate.

SECTION 3. Transfers within the same pay grade from Staff to Line position or from Line to Staff position may be allowed only if the employee has tested for and is still eligible to fill a position that is created or has become vacant, or the employee is transferring to a position, either Staff or Line, that the employee formerly held.

ARTICLE 39

ALCOHOL AND DRUG TESTING POLICY

SECTION 1. Alcohol and Drug Testing Policy and Purpose

The purpose of this article is to maintain a work environment that is safe and conducive to high work standards. The policy is a joint effort of the City of McAlester and the IAFF Local 2284 for the elimination of substance abuse and the

improvement of related job performance. Having a substance abuse problem may render an employee unfit for duty. Such behavior shall not be tolerated and the City will administer a program to educate employees regarding the hazards of substance abuse and to eliminate such abuse. The City's program shall include efforts to rehabilitate employees suffering from substance abuse problems. This policy shall be in accordance with and administered pursuant to OKLA. STAT. title 40, 551, et, seq.: The Oklahoma Standards for Workplace Drug and Alcohol Testing Act, 49 U.S.C. sections 2717 and 1434 of the Federal statutes and the Department of Transportation (D.O.T.) Rules and Regulations found at 40 CFR Part 121 and 40 CFR Parts 382, 391, and 392 and any amendments thereto. Drug or alcohol testing required by and conducted pursuant to federal law or regulation shall be exempt from the provisions of the Standards for Workplace Drug and Alcohol Testing Act and the rules promulgated pursuant thereto.

SECTION 2. Effective Date

This policy will be effective thirty (30) days after official posting and following distribution of the policy to all members of the bargaining unit.

SECTION 3. Application and Violation

This policy shall apply to all employees of the McAlester Fire Department. Employees who violate any aspect of this policy

(including receiving a confirmed positive test or refusing to submit to testing) may be subject to disciplinary action, up to and including termination.

SECTION 4. Pre-Placement Testing

All applicants for position with the McAlester Fire Department shall undergo drug and alcohol testing as part of their physical prior to assignment.

Job applicants shall be tested only after conditional offer of employment. Refusal to undergo a test, or a confirmed positive test, shall be the basis for withdrawing offer of employment.

SECTION 5. Random Testing

A. The City may request or require unit members to undergo drug testing on a random selection basis.

B. "Random selection basis" means a mechanism for selecting employees for drug testing that:

1. Results in an equal probability that any employee from the group of employees subject to the selection mechanism will be selected; and

2. Does not give the employer discretion to waive the selection of any employee selected under the mechanism.

C. Unit employees shall be randomly tested at the following test rates:

1. The maximum yearly percentage rate for random-controlled substances testing shall be twenty-five (25%) percent of all Fire Department members.

D. The City shall strive to ensure that random-controlled substance tests, conducted pursuant to this article, are unannounced. Following the testing of the pool of Fire Department members, the City will provide the Union President a listing of all members scheduled for testing and those tested.

E. Every unit member who is selected for random drug testing shall proceed to the test site immediately upon notification, unless the unit member is actively performing a safety-sensitive function at the time of notification, which will not reasonably allow his/her replacement. In such cases, the unit member's supervisor shall ensure that the unit member proceeds to the testing site as soon as possible.

F. Unit members will be informed that they have been selected to submit samples after they have arrived at work on the day of collection. Specimen collections shall occur as soon as possible after the beginning of the work shift. Unit members shall be tested only during working hours.

G. Fire Department employees shall be considered a separate pool of employees for purposes of random testing.

SECTION 6. Reasonable Suspicion

Drug and alcohol testing may be required of any employee if there is "reasonable suspicion" that the employee is using or has used drugs or alcohol in violation of this policy. Reasonable suspicion is, among other things:

5.1 Observable and articulable phenomena, such as physical symptoms or manifestation of being under the influence of drugs or alcohol while at work or on duty:

5.2 The direct observation of such use while at work or on duty.

5.3 A report of drug or alcohol use while at work or on duty provided by reliable and credible sources and which have been independently corroborated;

5.4 Evidence that an employee is involved in the use, possession, sale, solicitation, or transfer of drugs while on duty or while on the employer's premises or operating the employer's vehicle, machinery, or equipment.

No testing under "reasonable suspicion" shall be initiated unless the circumstances are properly reviewed and agreed upon by a least two (2) supervisory-level personnel within the Fire Department. A written record of the observations leading to any

drug or alcohol tests shall be created by the supervisor(s) who made such observations within 8 hours of the observed behavior.

SECTION 7. Post-Accident Testing

Post-accident drug and alcohol testing may be conducted on any employee where there has been damage to City property which the City reasonably believes at the time exceeds Five Hundred Dollars (\$500.00) or where there has been injury to any employee or third party, or where there exists "reasonable suspicion" that the accident, injury, or damage was a result of the use of drugs or alcohol by the employee.

SECTION 8. Post-Rehabilitation Testing

The City of McAlester may require an employee to undergo drug or alcohol testing without notice for a period of two (2) years after returning to work after a confirmed positive test and/or following participation in a drug or alcohol dependency treatment program. (Post-rehabilitation testing shall be in addition to any other testing the rehabilitation program requires.)

SECTION 9. Substance for Which Test May be Given (Includes Related Metabolites)

- 9.1 Ethyl Alcohol or Ethanol (beer, liquor, etc.)
- 9.2 Cannabinoids or Marijuana (pot, weed, grass)
- 9.3 Cocaine (including crack)

9.4 Amphetamines (including speed)

9.5 Opiates (including morphine, codeine, dilaudid, percodan)

9.6 Phencyclidine (including angel dust, PCP)

Threshold reporting levels shall be those established and maintained by the Federal Department of Transportation and as utilized by the National Institute for Drug Abuse.

SECTION 10. Testing Methods and Collection Procedures

10.1 All collection and testing shall be done in accordance with the rules promulgated by the Oklahoma State Board of Health.

10.2 All sample collection and testing for drugs and alcohol pursuant to the provisions of this article shall be conducted in accordance with the following:

- a. Samples shall be collected and tested by labs deemed qualified by the State Board of Health.
- b. The collection of samples shall be performed under reasonable and sanitary conditions.
- c. A sample shall be collected in sufficient quantity for splitting into separate specimens pursuant to rules of the State Board of Health to provide for any subsequent independent

analysis in the event of challenge of the test results on the main specimen.

- d. Samples shall be collected and tested with due regard to the privacy of the individual being tested. In the instance of urinalysis, no employer shall observe an applicant or employee in the process of producing a urine sample.
- e. Sample collections shall be documented, and the documentation shall include:
 - 1. Labeling of samples so as reasonably to preclude the probability of erroneous identification of test results, and
 - 2. An opportunity for the applicant or employee to provide notification of any information which the applicant or employee considers relevant to the test, including identification of currently or recently used prescription or non-prescription drugs, or other relevant information.

SECTION 11. Cost

The City shall pay all costs of testing for drugs or alcohol required by this policy including confirmation tests required by

this policy. If an employee requests a retest of a sample in order to challenge the results of a positive test result, the employee shall pay all costs of the retest. If the retest reverses the findings of the challenged positive test, the City shall reimburse the individual for the cost of the retest.

SECTION 12. Refusal to Undergo Testing; Tampering with Samples

Employees refusing to undergo testing according to the terms of this policy shall be subject to disciplinary action up to and including termination. Employees found supplying or attempting to supply an altered sample or a substituted sample, not their own, by whatever means, shall be subject to disciplinary action up to and including termination.

SECTION 13. Confidentiality

The City shall treat all tests and all information related to such test, including interviews, memoranda, reports, and statements as confidential.

SECTION 14. Disciplinary Action

The City shall not take disciplinary action against any employee who tests positive for drugs or alcohol unless the test is confirmed by a second test performed on the same sample using the methods prescribed by the Oklahoma Standards for Workplace

Drug and Alcohol Testing Act. However, this shall not preclude the use of paid leave in cases involving reasonable suspicion.

Non-probationary employees with a previously satisfactory work record will be given an opportunity to continue employment after an initial occurrence of a positive drug or alcohol test. Some period of leave with pay may be granted dependent on the employee's leave accrual for the employee to be enrolled in an approved rehabilitation program.

Continued employment, if offered, shall be contingent upon the employee agreeing in writing to undergo random or periodic drug and/or alcohol post-rehabilitation testing for two (2) years.

If an employee tests positive for drugs and alcohol, said employee may be suspended, demoted, or terminated following a pre-termination hearing. Employees refusing to enroll in an approved rehabilitation program shall be terminated.

SECTION 15. Upon demand that the employee submit a sample for testing, the employee shall receive a written description of his/her rights, obligations and options, as set forth in subsection 1 below. Thereafter, the employee shall be escorted to the designated medical or collection facility where samples will be given for the purpose of analysis.

A. RIGHTS OF EMPLOYEES UNDER THE SUBSTANCE ABUSE POLICY FOR
THE CITY OF McALESTER

You, as an employee of the City of McAlester, have been asked to give the City a breath sample for alcohol testing and/or a urine sample for drug testing under the substance abuse policy. You, as an employee, have the following rights:

1. You may refuse to provide the City with the appropriate sample. However, if you refuse, it may result in termination of your employment.
2. If you agree to give a breath and/or urine sample for testing, you will be asked to sign a consent form which authorizes the taking and sending of the sample to the laboratory used by the City to conduct the analysis and to release said results of the analysis to the medical review officer and to the designated Substance Abuse Policy Administrator for the City of McAlester, which is the Personnel Director for the City of McAlester.
3. If you agree to be tested, you will be escorted to a medical facility by the applicable supervisor. If you are tested for alcohol and not drugs, you will be returned to work upon a negative finding subject to special instruction for safety-sensitive employees. If positive, you will be unable to return to work for at least twenty-four (24) hours

and will be subject to possible disciplinary action. Upon being tested for drugs under reasonable suspicion, post accident, or post vehicular accident testing, you will be suspended with pay. Suspension will be effective immediately after the testing and shall be for the period of time required to process, screen and confirm test results. If your test results are negative, you will be reinstated and all reference to the suspension shall be removed from your personnel file. Random testing and return to duty follow-up testing for drugs does not require immediate suspension.

4. If your test results are positive for drugs or alcohol, you will be given the opportunity to participate in the Employee Assistance Program. Participation in the Employee Assistance Program will not avoid any discipline, including termination, which may be imposed.

5. You may, within seventy-two (72) hours on receipt of the drug test results, request the split specimen be analyzed by a different certified laboratory site.

If you request the split specimen test, you will be responsible for its cost unless the test results are negative.

On this ____ day of _____, 20__, I _____

Have read the foregoing rights and fully understand them.

Employee Signature

Prior to testing, the employee shall sign a consent form authorizing: (1) the medical facility to take the specimen; and (2) authorizing the testing laboratory to release the test results to the medical review officer and the designated substance abuse policy administer. The consent form shall provide space for the employee to acknowledge that he or she has been notified of the substance abuse policy. An employee's refusal to sign the consent form shall constitute a refusal to be tested.

MEDICAL CONSENT AND RELEASE OF INFORMATION

The undersigned voluntarily consents and agrees, as a condition of employment, to submit to a drug and/or alcohol test, which may include a urine test for controlled substances and/or evidential breath or blood alcohol test by doctors or other qualified persons.

The results of any such examination and tests may be released to the Personnel Director of the City of McAlester, Oklahoma.

I hereby release the physicians, medical facilities, clinics, and their employees, agents and representatives from

any and all liability, except for inaccurate test results arising from the release and use of the information discovered in such test including the results of any test and any decision regarding my employment or prospective employment with the City of McAlester, Oklahoma.

(Employee Signature)

CONFIDENTIALITY OF TESTING RESULTS AND RECORDS

- A. The City shall maintain all drug and alcohol test results and related information including, but not limited to, interviews, reports, statements and memoranda, as confidential records separate from other personnel records.
- B. Such records, including the records of the testing facility, shall not be used in a criminal proceeding or a civil or administrative proceeding, except in administrative actions taken by the employer.
- C. The records maintained by the City shall be the property of the employer and, upon request of the unit member, shall be made available for inspection and copying to the unit member.
- D. The City shall not release records to any person other than the unit member or the City's medical review officer except the list of those scheduled for testing and those who

have been tested to the Union President, unless the unit member, in writing following receipt of the test results, has expressly granted permission for the City to release such records or pursuant to valid court order.

E. A testing facility, or any agent, representative or designee of the facility, or any review officer shall not disclose to any employer, based on the analysis of a sample collected from a unit member for the purpose of testing for the presence of drugs or alcohol, any information relating to:

1. The general health, pregnancy or other physical or mental condition of the unit member;
2. The presence of any drug other than the drug or its metabolites that the City requested to be identified and for which a medically acceptable explanation of the positive result, other than the use of drugs, has not been forthcoming from the unit member, provided however, a testing facility shall release the records of the drug or alcohol test, and any analysis and information related thereto, to the individual tested upon his request.

F. If the test result is negative, the MRO shall only inform the City that the test was negative without disclosing any other information.

EMPLOYEE ASSISTANCE PROGRAM (E.A.P.)

The City shall maintain either an in-house or contract an "Employee Assistance Program", which at a minimum provides for drug and alcohol dependency evaluation and referral services for substance abuse counseling, treatment or rehabilitation.

APPEAL PROCEDURES AND REMEDIES

- A. Unit members may appeal any discipline imposed as a result of drug or alcohol testing via the grievance procedure.
- B. The Oklahoma Standards for Workplace Drug and Alcohol Testing Act provides that any person aggrieved by a willful violation of the Act may institute a civil action for declaratory or injunctive relief and damages, and provide for misdemeanor penalties for knowing and willful violations of the Act.
- C. The party's agreement to random drug testing in no way diminishes, acquiesces, or removes a unit member's civil rights under the U.S. Constitution.

ARTICLE 40

HEALTH AND SAFETY COMMITTEE

There is hereby established a Health and Safety Committee and responsibilities are as follows:

SECTION 1. Committee shall consist of five (5) members, which include one firefighter, one driver, one lieutenant, one captain, and the Fire Chief or his designee.

SECTION 2. Any and all recommendations shall be presented to the Fire Chief for action or non-action. If this committee disagrees with the Chief's action or non-action, the matter shall automatically go to the Safety Officer.

SECTION 3. The Safety Officer will review all details and submit a final report in writing to the Chief and Safety Committee.

SECTION 4. The Committee of Rank will be selected to serve as follows:

- A) Firefighters will designate their representative
- B) Drivers will designate their representative
- C) Lieutenants will designate their representative
- D) Captains will designate their representative

SECTION 5. It is understood this committee will act solely as an advisory and non-authoritative committee.

ARTICLE 41

AFFILIATION LEAVE

SECTION 1. Any employee who becomes an officer or maintains an appointment on a fire service related board or committee such as Fire Chiefs Association, International Association of Arson Investigators, Oklahoma State Firefighter Pension Board, Oklahoma State Firefighters Association, International Association of Fire Fighters, Professional Fire Fighters of Oklahoma, State Fire Marshals Office at either the state or national level shall be given time off of up to one day per month to attend committee meetings, board meetings, or conventions. This leave will not be accumulated from month to month.

ARTICLE 42

SAFE STAFFING LEVELS

Section 1. The parties agree the McAlester Fire Department is an organization of dedicated professionals who are committed to serving the community by protecting life, property, and the environment through fire and injury prevention, education, fire suppression, and emergency medical response.

Section 2. The parties agree staffing levels have not been increased since 1981.

Section 3. The parties agree to prioritize staffing and strive to increase staffing to adequate levels consistent with the national recommended minimum staffing level needed to safely and efficiently extinguish a 2000 square foot residential structure. The parties further agree that grants or other funding sources will be sought to offset additional costs to the City.

Section 4. The parties agree that increasing staffing levels will be incremental in nature and cannot fully be accomplished in one fiscal year. A committee made up of three (3) designated representatives of management and three (3) designated representatives of the bargaining unit will agree on the duration of time needed and the incremental number of staff per fiscal year needed to meet the needed staffing level based on revenues available.

Section 5. The parties agree a minimum staffing level of forty (40) bargaining unit employees will be the base number of employees for implementing increases in staffing.

McALESTER IAFF COLLECTIVE BARGAINING AGREEMENT ~~2012/2013~~ 2013/2014

IN WITNESS WHEREOF, the parties hereto have set their hands
this _____ day of _____, 20__.

CITY OF McALESTER, OKLAHOMA
A Municipal Corporation

By _____

Steve Harrison, Mayor

INTERNATIONAL ASSOCIATION OF
FIREFIGHTERS
Local 2284
Bargaining Agent

By _____
President of Bargaining Agent

ATTEST:

Cora Middleton, City Clerk

Secretary of Bargaining Agent

Attachment 1: IAFF Classified Pay Scale



P.O. BOX 578 • 1ST & WASHINGTON • McALESTER, OKLAHOMA 74502 • 918 423-9300 • FAX 421-4971 • www.cityofmcalester.com

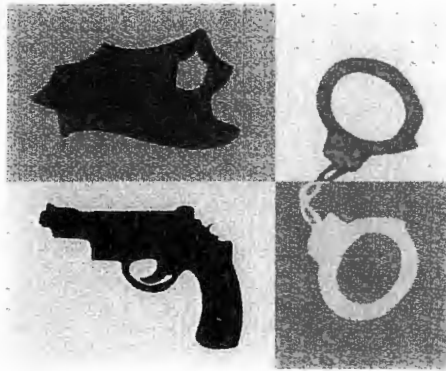
To: Mayor & Council
From: Pete Stasiak
Date: June 10, 2013

RE: FOP Contract 2013-2014

The following changes are recommended for the contract between the City of McAlester and the FOP Local 92 for the fiscal year July 1, 2013 thru June 30, 2014.

Cover Sheet:	Date Change
Article 10, Wages, Page 20:	Percentage Changed from 3% to 0%
Article 14, Vacation Leave, Page 30:	Taken in 1 Hour Increments
Article 15, Sick Leave, Page 32:	Taken in 1 Hour Increments

COLLECTIVE BARGAINING AGREEMENT



**THE FRATERNAL
ORDER OF POLICE
LODGE NO. 97**

and

THE CITY OF McALESTER, OKLAHOMA



July 1, 2013 to June 30, 2014

MCALESTER FOP COLLECTIVE BARGAINING AGREEMENT 2013/2014

ARTICLE 1

RECOGNITION

SECTION 1. Pursuant to and in accordance with 11 OS 51-101, the City of McAlester recognizes the Fraternal Order of Police, Lodge Number 97, as the sole and exclusive bargaining agent of the employees covered by this Agreement for the purpose of negotiating wages, hours and other conditions of employment.

SECTION 2. The term "employee", as used herein, shall be all commissioned police officers of the City of McAlester, but does not include:

- a. Chief of Police
- b. (One) Designated Administrative Assistant or Assistant Police Chief
- c. Non-Commissioned Employees
- d. Part-Time and/or Temporary Employees
- e. All Probationary Employees (Exception, Promotional Probations) The initial probationary period for a new hire shall not exceed twelve (12) months absent a written agreement by the city and the Lodge to extend the probationary period past twelve months.

ARTICLE 2

MANAGEMENT RIGHTS

SECTION 1. The F.O.P. agrees that the City has, and will continue to retain, whether exercised or not, the sole right to Operate and manage its affairs in all respects; and the power or authority which the City has not officially abridged, or modified by the express provisions of this Agreement, is retained by the City. The rights of the City, through its management officials, shall include, but not be limited to, the right to determine the organization of City Government; to determine the purpose of each of its constituent departments; to exercise control and discretion over the organization and efficiency of operations of the City; to set standards for services to be offered to the public; to increase, reduce, change, modify, or alter the composition and size of the workforce, including the right to relieve employees from duties or organization of the department.

SECTION 2. The Chief of Police, as designated by the City Manager under the McAlester City Charter, S 3-2, pp. 1 & 2, shall have the right to assign work and overtime within the Police Department; to hire, train, examine, classify, promote, retrain, transfer, assign and schedule employees in positions within the Police Department; to suspend, demote, discharge, or take other

disciplinary action against employees for proper cause, as defined by the Rules and Regulations of the McAlester Police Department in Chapter II, Section 200-207, inclusive; to determine the location, methods, means, and personnel by which operations are to be conducted; and to establish, implement, and maintain an effective internal security program.

SECTION 3. The City has the sole authority to determine the purpose and mission of the City and to prepare and submit budgets to be adopted by the City Council.

SECTION 4. The City shall not relinquish those inherent managerial functions, prerogatives, and policy-making rights, which the City has not expressly modified or restricted by a specific provision of this Agreement.

SECTION 5. Those managerial functions, prerogatives, and policy-making rights which have been delegated, modified, or restricted by this Agreement, are subject to the grievance procedure contained herein.

ARTICLE 3

PROHIBITION OF STRIKES

SECTION 1. "Strike" is defined within the Oklahoma State Statutes (Title 11 51-102) and shall be the definition for purposes of this Agreement.

SECTION 2. Neither the F.O.P., nor any of its officers or members covered by this Agreement, will instigate, promote, sponsor, engage in, or condone any strike action whatsoever, or any work stoppage or slow-down.

SECTION 3. Any or all employees who violate any provisions of the law (Title II S 51-101 through S 51-113) may be dismissed or otherwise disciplined by the City. Appeals of suspensions or dismissals are subject to the Grievance Procedure as outlined in Article 7, or may be taken to the Personnel Board consistent with applicable Personnel Board Rules and Regulations.

SECTION 4. The parties hereto acknowledge that the employee's first responsibility is to protect persons and property from harm, thus the F.O.P. and each member will not recognize pickets, work stoppages or barriers of any employee group.

ARTICLE 4

BARGAINING AGENT SECURITY

SECTION 1. The employer shall take the action required to assure that no interference, restraint, coercion, or discrimination is practiced to encourage or discourage membership in the F.O.P. or other exercise by employees of their rights. It is understood and agreed by all parties that due to the nature of Police functions requiring a 24-hour day and the unavailability of all officers at the Police Department at one time, that it will be necessary to communicate F.O.P. business to its members and prospective members during working hours, but, in such a manner so as not to affect the performance of duties of individual officers or the Police Department as a whole.

SECTION 2. The employer agrees to deduct regular monthly F.O.P. dues from earned wages of those employees who are in the F.O.P. The deduction shall be made from one paycheck in the amount of forty-five dollars (\$45.00) per month. A check for the total deductions will be mailed to the Treasurer of the F.O.P. no later than fifteen (15) calendar days after the deduction is made. Deductions will be made from the earned wages of entry-level probationary employees. All F.O.P. members will be required to sign an authorization card to

have dues deducted. This authorization card must be presented more than thirty (30) days prior to the beginning date of the deduction.

SECTION 3. The City will deduct dues only from the employee's paycheck and will not deduct initiation fees, special assessments, fines, or any other deductions. Furthermore, the deduction shall be at a continuous and consistent rate throughout the term of the Collective Bargaining Agreement between the City and the F.O.P. No deductions will be made when the salary to be paid any employee is not sufficient to cover the amount to be deducted.

SECTION 4. All deductions will be for the month in which they are taken. All deductions refundable at the time of termination or resignation will be refunded by the F.O.P. The employer shall not be responsible for errors. In case the employer makes an error or improper deduction, a proper adjustment of the same shall be made by the F.O.P. with the employee affected.

SECTION 5. The F.O.P. shall hold the City harmless against any claims made and against any suits instituted against the City on account of payroll deductions of F.O.P. dues. The cost for the payroll deduction service charged by the City will be in accordance with the following:

a. Any extra work or expense incurred by the City because of requests or delays in furnishing information, materials, or supplies

by the F.O.P., or due to the furnishings of indefinite, erroneous or conflicting data shall be paid for or borne by the F.O.P., the charges to be based on the City's actual cost and will be due and owing to the City upon delivery of an itemized invoice to the F.O.P.

b. For payroll deduction services contemplated by this section, the F.O.P. shall be charged two-hundred dollars (\$200.00) annually payable prior to 6/30 each year.

c. The City shall not be liable, either at law or equity, for damages incurred by the F.O.P., which occurs from the City's non-performance or delay of the duties and obligations of this Article 4, Section 5 covenant, where such non-performance or delay is due to fire, electrical or machine failure, strike, lock-out, governmental order or regulation, or any other failure similar or dissimilar beyond the City's reasonable control.

ARTICLE 5

MAINTENANCE OF PHYSICAL/MENTAL CONDITION

SECTION 1. It is each member's responsibility to maintain himself/herself in a physical/mental condition sufficient to perform the position that he/she holds. In order to maintain said condition, the City will develop and each member shall undertake a program of physical exercise on a regular basis.

SECTION 2. There shall be no fee to utilize the City's physical conditioning services.

SECTION 3. It shall be mandatory for any officer to submit to psychological treatment after any job-related traumatic incident of a nature deemed to be physically and psychologically damaging to the officer involved at the discretion of the Police Chief.

SECTION 4. The Police Chief shall have full discretion to require any officer to submit to psychological treatment, as he may deem necessary. The Chief shall give a written statement prior to exercise at his discretion.

SECTION 5. Any cost involved in psychological treatment as required by the Chief shall be borne by the City in full.

SECTION 6. An Officer required by the Police Chief to submit to any psychological test shall be placed on *Leave with Pay* until such time the test results are made available to the Police Chief. Officers not reporting to and/or refusing to submit to the first scheduled test will be placed on *Leave without Pay*.

SECTION 7. An officer requiring psychological treatment shall use the provisions of the Family and Medical Leave outlined in the Personnel Policies of the City of McAlester.

SECTION 8. The city has initiated a functional employment testing program in order to help promote the health and safety of employees. All testing covered by this policy will be job related and consistent with business necessity. The following policies will be effective as of the signing of this contract. CBA 2014-2014

A. Employees who have suffered an injury that involves the muscular-skeletal system and who have been off work due to the injury for a period of at least thirty (30) days will be required to successfully complete the testing process prior to returning to work and after being release by the treating physician.

B. Employees who have been off work in excess of sixty continuous days for any medical reason will be required to successfully complete the testing process prior to returning to work and after being release by the treating physician.

C. In the event an employee fails the testing process, the City will attempt to accommodate the employee, whenever reasonable and possible, for a period of time not to exceed thirty days, to allow the employee to successfully complete the testing process if, in the opinion of the testing facility, there is a reasonable chance the employee will be able to successfully complete the testing

process given the additional time. During the thirty days, the employee may use his/her accumulated leave.

ARTICLE 6

PROMOTION POLICY

SECTION 1. The Promotion Policy, as outlined in Chapter 4 of the McAlester Police Department Rules and Regulations, shall remain in effect.

SECTION 2. The weights assigned to the elements shall be sixty (60) points for the written test; ten (10) points taken from the employee's last two Merit Reports (evaluations); twenty (20) points for personal evaluation in oral interview with regard to how well the individual qualifies for the open position. The interview will be conducted by the Department's four (4) Captains, Asst. Chief and the Chief of Police; the highest and lowest score on the interview will be thrown out and the average of the remaining four (4) will be the total points, ten (10) points seniority at one point per year calculated monthly and in current rank. If employee has a break in service with the department, his/her most recent date of employment with the McAlester Police Department shall be the date used to calculate seniority points. This pertains to seniority only and not rank as further defined in Article 27 herein.

Section 3 . The parties agree that if all candidates eligible to test for a particular promotion agree, in writing, to waive the testing procedures, then the Chief of Police may select any person for that particular promotion so long as the person selected is on the list of candidates otherwise eligible to test for that

promotion. It is further agreed that so long as the Chief of Police selects someone from that eligible list, his selection of the person hired is final and is not subject to the grievance process. The eligibility date for all promotions shall be the immediate day after the employee in the supervisory position leaves employment with the City. (e.g. If the supervisors last day of employment is June 31st, and officer wishing to promote must meet all requirements as of July 1st).

SECTION 4. Any promotions or appointments relating to Police Chief, Assistant Police Chief or new hires are solely a Management function. However, if an individual is appointed from outside the McAlester Police Department to either the position of Police Chief or Assistant Police Chief, this individual shall not be able to enter employment in the McAlester Police Department except for the rank of Patrolman, if the original appointment is terminated.

ARTICLE 7

GRIEVANCE PROCEDURE

SECTION 1. The City, F.O.P., or any employee covered under this agreement, may file a grievance within twenty (20) days of alleged occurrence, as hereinafter defined, and shall be afforded the full protection of this Agreement. For the purpose of this Article, "City" shall mean the Police Chief or his designated representative.

SECTION 2. The F.O.P. President, or his/her authorized representative, may report an impending grievance to the Police Chief in an effort to forestall its occurrence; similarly, the F.O.P. may be so informed by the City.

SECTION 3. Any controversy between the City and the F.O.P., or any employee concerning the interpretation, enforcement, or application of any provision of this Agreement shall be adjusted in the following manner:

- a. The grievance shall be submitted, in writing, by the FOP President and the employee to the Chief of Police within twenty (20) calendar days of the event giving rise to the grievance. In the event the grievance is submitted by the City, the same time requirement will apply with the grievance being submitted to the President of the FOP.

b. The Police Chief shall submit his answer, in writing, to the employee involved and to the FOP President within ten (10) calendar days.

c. If the grievance has not been settled within that time, it shall then be sent by the FOP President to the City Manager for adjustment within ten (10) calendar days of receipt of the response from the Police Chief.

d. The City Manager shall submit his answer, in writing, to the Police Chief, the employee involved, and the F.O.P. President within ten (10) calendar days of receipt of the grievance. If the City Manager and the F.O.P. have not settled the grievance within that time, it shall be submitted to arbitration for adjustment by majority vote of the FOP within thirty (30) days of receipt of the response by the City Manager as follows:

1. The bargaining agent and the City shall each select and name one (1) arbitrator and shall immediately thereafter notify each other, in writing, of the name and address of the person so selected. Both the FOP and the City may agree, in writing, to waive a three person arbitration panel within ten (10) calendar days of the vote of the FOP to submit the matter to arbitration.

2. The two arbitrators so selected and named shall, within the (10) days, agree upon and select a third arbitrator.

3. If, on the expiration of the period stated above, the arbitrators are unable to agree upon the selection of a third arbitrator, or in the event that both the FOP and the City waive the right to a three person arbitration panel, the bargaining agent and the City shall request the Federal Mediation and Conciliation Service to provide a list of five (5) arbitrators.

4. Within five (5) calendar days from the receipt of such panel, the two arbitrators already selected shall meet and alternately strike names until one (1) arbitrator remains who shall be Chairman of the Arbitration Board. The City shall strike the first name.

5. The Arbitration Board (acting through its Chairman) shall call a hearing to be held within ten (10) calendar days after the date of the appointment of the Chairman whenever possible.

6. A Hearing shall be concluded within twenty (20) days from the time of commencement.

7. Within (10) days after the conclusion to the Hearing, the arbitrators shall issue a written opinion containing findings and recommendations with respect to the issues presented. A copy of the opinion shall be mailed or delivered to the F.O.P. and the employer.

8. With respect to the interpretation, enforcement or application of the provisions of this Agreement, the decisions, findings, and recommendations of the arbitrator shall be final and binding on the parties to this Agreement.

9. The arbitrator's authority shall be limited to the interpretation and application of the terms of this agreement and/or any supplement thereto. The arbitrator shall have no jurisdiction to establish provisions of a new Agreement or variation of the present Agreement or to arbitrate away, in whole or part, any provisions or amendments thereof. This shall not preclude individual wage grievance.

10. The cost of the impartial arbitrator shall be shared equally between the F.O.P. and the City. If a transcript of the proceedings is requested, then the party so requesting shall pay for it.

SECTION 4. All time limits set forth in this Article may be extended by mutual consent but if not so extended, they must be strictly observed. If a party fails to pursue any grievance within the time limits provided, he/she shall have no further right to continue the grievance.

SECTION 5. It is specifically and expressly understood that filing a grievance under this Article which has as its last step final and binding arbitration constitutes an election of remedies and a waiver of any and all rights by both parties, the F.O.P., or other representatives of either party, to litigate or otherwise contest the last answer rendered through the Grievance Procedure, in any Court or other appeal form.

ARTICLE 8

MERIT INCREASES

SECTION 1. The parties hereto recognize that increases in steps of pay are to be granted on the basis of merit, knowledge and performance, and that employees are not automatically entitled to step increases.

ARTICLE 9

F.O.P. BUSINESS AND MEETINGS

SECTION 1. The F.O.P. hereby agrees that it will not interfere in any way with the business of the City.

SECTION 2. Since the Police function is a twenty-four (24) hours per day, seven (7) days per week service, it will be necessary for the F.O.P. meetings to occur during times some members are working. In recognition of this, the employer agrees to make every effort to allow as many F.O.P. members to attend regular meetings as is reasonable under the conditions at the time.

SECTION 3. The F.O.P. agrees to keep the number of meetings at one per month except in the case of an emergency so designated by the F.O.P. President.

SECTION 4. It is specifically understood that the F.O.P. will not post notices of political (related to City elections) or inflammatory nature at the Police Station. Any and all postings by the F.O.P. on City property are subject to review and approval by the Chief of Police.

ARTICLE 10

WAGES

SECTION 1. Base Pay: The parties agree to a 0% percent across the board increase for FY 2013-2014. The base pay for employees will be as set forth on Addendum "A" attached hereto. The rank structure shall be as follows:

Captain	C-22
Lieutenant	C-19
Sergeant	C-17
Master Patrolman	C-13
Patrolman	C-12
Recruit	C-9

SECTION 2. Incentive Pay

a. Each Police Officer who has earned sixty (60) college credit hours with a minimum of eighteen (18) hours in law enforcement-related courses shall receive one hundred twenty-seven dollars \$127.00 per month over base salary. Educational incentive shall not be accumulative.

b. Each Police Officer who attains thirty (30) hours of academic instruction at an accredited college shall receive eight-five (\$85.00) per month over base salary. Educational incentive shall not be accumulative.

c. Each Police Officer who obtains two hundred (200) hours

in specialized training, excluding basic training, shall receive one hundred (\$100.00) per month over base salary. On-the-job training or interdepartmental training is excluded.

d. Each Police Officer who obtains five hundred (500) hours in specialized training; excluding basic training, shall receive an additional \$100.00 per month over base. On-the-job training or interdepartmental training is excluded.

e. Each Police Officer who obtains one thousand hours in specialized training excluding basic training shall receive an additional sixty-five (\$65.00) dollars per month over base. On-the-job training or interdepartmental training is excluded.

f. Each Police Office who completes an Instructor Development course and is certified by CLEET to instruct in a police-related school shall receive \$30.00 a month over base salary.

g. Each Master Patrolman/Investigator must complete one of the following requirements for certification:

1. Three (3) years as a Patrolman with the City of McAlester, and One (1) year as an Investigator with the McAlester Police Department, and Five hundred (500) hours of specialized CLEET training or 60 hours of college course work with 18 hours in Criminal Justice. The selection of assignment to the Investigative Division shall be at the sole discretion of the Chief of Police.

Or

2. Six years as a Patrol Officer with the City of McAlester and Five hundred (500) hours of specialized CLEET training or 60 hours of college course work with 18 hours in Criminal Justice.

3. The position of Master Patrolman will be considered a C-13, but this shall not give seniority over Patrolmen and shall be used for promotions only.

h. All officers must obtain and maintain their intoxilyzer/operator certification and shall also be required to attend all related seminars/schooling.

SECTION 3. Shift Differential Pay

a. Each Police Officer assigned to work from 3 P.M. to 11 P.M. shall receive \$70.00 per month over base salary.

b. Each Police Officer assigned to work from 11 P.M. to 7 A.M. shall receive \$115.00 per month over base salary.

c. Special assignments shall receive shift differential pay if such assignments consist of a minimum of one month.

ARTICLE 11

HOURS OF WORK

SECTION 1. The normal workday shall consist of eight (8) hours and the normal work period shall be no more than forty-three (43) hours in a seven-day period.

SECTION 2. The normal daily tour of duty shall be eight (8) hours. However, Chief or Shift Commanders may, at their discretion, establish special hours and tours of duty for their department for specified units, or for individual employees, as may be necessary to provide adequate service. The Article shall not be interpreted as a guarantee of minimum or maximum number of hours per week or per year under conditions which, in the judgment of management, are necessary for the operation of the department.

SECTION 3. During the work period, employees normally will be assigned to shifts of five (5) consecutive days with two (2) consecutive days off.

SECTION 4. Rest Periods: During the normal eight (8) hour workday, employees will be granted one (1) fifteen (15) minute rest period and one thirty (30) minute rest period which shall be scheduled by the City. Said rest periods may be accumulated that day, at the discretion of the shift commander.

SECTION 5. Furloughs: In the event of any proposed furlough, both the City and the F.O.P. shall agree, in writing, to any such action before implementation.

ARTICLE 12

COMPENSATORY TIME AND OVERTIME

SECTION 1. All hours worked during standard work week in excess of forty-three (43) hours shall be considered overtime or compensatory time at the discretion of the Chief of Police. Compensatory time will be time off with pay granted on the basis of one (1) and one-half (1/2) hours off from regular duties for each hour of overtime worked over forty-three (43) hours, unless otherwise stated herein. Regular pay or compensatory time at the standard rate will apply between forty and forty-three (43) hours. Compensatory time or overtime will be allowed for hours worked over forty-three (43) for the performance of the following duties.

a. Municipal, District, and Juvenile Court appearances which shall be granted on a time and one-half (1/2) basis. However, if less than one (1) hour of off-duty time is expended by the officer, the officer shall be granted one (1) hour of accumulated overtime.

b. All call-backs shall be granted on a time and one-half (1/2) basis with a one-hour (1) minimum.

c. All in-service training when attendance is required.

SECTION 2. The following duties will be excluded from any compensation except as provided as follows:

- a. There will be a requirement to attend departmental meetings and/or conferences. These departmental meetings or conferences will not exceed four (4) annually.
- b. All schools, conferences, and seminars attended on scheduled off-duty days will receive comp time.
- c. All schools, conferences, and seminars attended on scheduled workdays will receive no compensation.

ARTICLE 13

HOLIDAYS

SECTION 1. Each employee covered under the provisions of this Agreement shall be entitled to observe thirteen (13) days as holidays and be granted time off with pay.

SECTION 2. Holidays will be observed on actual calendar days unless an employee is required to work by the City.

- a. New Years Day - January 1st
- b. Martin Luther King Day - Calendar date
- c. Good Friday - Calendar date
- d. Memorial Day - Calendar date
- e. Independence Day - July 4
- f. Labor Day - Calendar Date
- g. Veteran's Day - November 11th
- h. Thanksgiving Day - Calendar date
- i. Friday after Thanksgiving Day - Calendar date
- j. Presidents Day - Calendar date
- k. Christmas Eve - December 24th
- l. Christmas Day - December 25th
- m. Employee Birthday

SECTION 3. The granting of holidays observed by the City shall be subject to the following provisions:

- a. When a holiday falls on an employee's day off, an alternate day shall be observed as approved by the City.
- b. When a holiday falls on an employee's workday, he/she shall receive two holidays for that holiday only if he/she actually works that holiday. If he/she does not work that holiday, he/she will only receive one holiday.
- c. A holiday falling during a period of paid leave, including vacations, shall not be counted as a workday in computing the amount of leave expended. However, when an employee is absent without approved leave on a holiday for which he/she is scheduled to work, such time shall be charged to leave without pay and he/she shall not be eligible to receive an additional day off with pay at a later date.
- d. Holiday pay shall not be paid if the employee fails to work on both his/her regularly scheduled work day immediately prior to and following a designated holiday unless on paid leave which has been approved by the employee's supervisor.
- e. An employee terminating his/her service with the City whose last scheduled work day falls on a holiday shall have the effective date of this separation on the work day immediately preceding the holiday.

SECTION 4.

a. Each employee covered by this Agreement who was hired prior to July 1, 2007, shall be limited to a maximum carry over of twenty (20) holidays from year to year. The parties agree that the City will compensate employees who have more than twenty (20) holidays on the book as of June 30, 2007, for that time over a three year period in equal one-third amounts. The parties agree that for FY 2007-2008, the pay out for the first one-third of access hours will occur on April 1, 2007. Any employee hired after July 1, 2007, may only carry over a maximum of thirteen (13) holidays from year to year.

b. Each employee covered by this Agreement hired prior to July 1, 2007, will be limited to a maximum of seventy-three (73) days of severance pay for all leave accrued including sick leave, vacation and holiday at the time of retirement/resignation. For employees hired after July 1, 2007, the maximum of such severance pay will be sixty (60) days at the time of retirement/resignation.

The City reserves the right to not buy back any leave accumulation in the event of termination for cause of any employee.

ARTICLE 14

VACATION LEAVE

SECTION 1. Vacation leave shall be earned as follows: Each regular or probationary employee will earn vacation leave at the rate of 5/6 working days per month of service for the first five (5) years of service. After completion of the five (5) years of service and until the ten (10) years of service, vacation leave will be earned at the rate of 1 1/4 working days per month; after ten (10) years of service, employees will accrue vacation leave at a rate of 1 3/4 working days per month of service.

SECTION 2. The amount of vacation leave that may be carried forward on January 1st of each year shall not exceed forty-five (45) days.

SECTION 3. Vacation leave with pay shall be granted to employees in accordance with the following provisions:

- a. All regular employees shall be eligible to take their full vacation immediately after their anniversary date provided said employee has worked for the City a minimum of one (1) year.
- b. Employees shall not be permitted to use either accrued vacation leave or accrued compensatory time during a period of suspension.
- c. Vacation leave shall be ~~expended~~ taken in ~~not less than one-half (1/2) day period~~ one (1) hour increments.

d. Upon separation, the employee shall be paid for the unused portion of his/her accrued vacation leave, provided that the reason for termination is not discharge for cause.

e. The City reserves the right to determine whether any buy back compensation will occur for excess vacation leave.

SECTION 4.

a. Any employee discharged for cause shall not receive any annual leave buy back.

b. Any employee who retires shall automatically receive annual leave buy back.

c. Any employee who resigns in good standing, annual leave buy back shall be automatic.

d. Any other resignations or failure to complete three (3) years of continuous Police service annual leave, buy back shall be at the discretion of the City.

ARTICLE 15

SICK LEAVE

SECTION 1. Sick leave shall be accumulated at the rate of one (1) day (eight hours) for each month of employment.

SECTION 2. The use of sick leave is limited to cases of illness or injury of the employee or member of his/her immediate family. Abuse of the sick leave privilege may be cause for immediate dismissal. Sick leave may be taken in one (1) hour increments ~~of half (1/2) days~~.

SECTION 3. Sick leave may be used when there is a death or serious illness within the employee's grandparents, grandchildren, and/or immediate family. Normally, three day=s leave shall be granted for this purpose, but may be extended by the City Manager under extenuating circumstances. Childbirth shall be considered a serious illness under the provisions of this Article.

SECTION 4. An employee who, due to illness or injury, is absent from work shall make provisions to notify the appropriate supervisor of his/her absence, telephone number where he/she can be reached, and an address. Employees will be checked; failure to be reached will result in loss of pay for that shift. A written reprimand will accompany the loss of pay. Employees who are absent for three (3) days or more shall be required to submit a physician's statement. This statement must indicate that he/she

has recovered sufficiently to return to work. Sick leave forms are provided in each department and shall be filled out and signed by the employee upon returning to work.

SECTION 5. Sick leave shall be accumulative to ninety (90) days. Sick leave which totals more than ninety (90) days will be applied to vacation leave at the rate of three (3) to one (1).

SECTION 6. The City reserves the right to determine whether any excess sick leave shall be brought back each year. Employees with at least one (1) year completed service may sell back sick leave at the rate of three (3) days for one (1) day=s pay upon termination, provided that the reason for termination is not discharge for cause.

SECTION 7. Any employee who shall receive payment for work performed for any other employer than the City of McAlester while on approved sick leave may be subject to immediate dismissal. False or fraudulent use of sick leave may be cause for disciplinary action against the offending employee. Such disciplinary action may include dismissal.

SECTION 8.

- a. Any employee discharged for cause shall not receive any sick leave buy-back.
- b. Any employee who retires shall automatically receive sick leave buy-back.

- c. Any employee who resigns in good standing, sick leave buy-back shall be automatic.
- d. Any other resignation or failure to complete three years of continuous Police service sick leave buy-back shall be at the discretion of the City.

SECTION 9. Any officer who is on leave for an on duty or off-duty injury or sickness may be assigned to "light duty status" if the Police Chief so designates and so long as the officer has been release by his or her health care provider for light duty. Light duty assignments will be granted on a case by case basis depending on the needs of the Department at the time, personnel available, special needs at the time of request and other circumstances that affect the operation of the Police Department. "Light Duty" assignments are granted solely on the approval of the Chief. Such assignments will consist of work that is related to law enforcement activities such as data entry, evidence related activities, accepting walk in complaints and responding to citizen inquiries, community relations activities, research and writing activities, dispatch services not requiring the use of OLETS and the like. The Chief may approve the officer to work a secondary job during the time he is on sick leave duty to an off-duty injury or sickness.

ARTICLE 16

LIFE AND MEDICAL INSURANCE

SECTION 1. The City shall pay the cost of each employee's medical insurance coverage through a group insurance program.

SECTION 2. The City shall provide Workman's Compensation coverage to members of the F.O.P. at no cost to the F.O.P. or its members. This coverage must be in compliance with applicable State statutes.

ARTICLE 17

LONGEVITY BONUS PAY

SECTION 1. Longevity bonus pay shall be made in accordance with the then current City longevity bonus pay policies except that eligibility for payment shall begin upon completion of five (5) year's service with the City. (Calculations shall be defined in the Longevity Resolution of the City).

SECTION 2. The maximum longevity shall be increased from the twenty (20) year cap to twenty-five (25) years.

ARTICLE 18

UNIFORM AND FOOTWEAR ALLOWANCE

SECTION 1. Uniforms will be repaired or replaced by the City when, in the opinion of the Chief or his designee, such repairs or replacements are deemed necessary.

SECTION 2. Each employee shall be responsible for the proper care and maintenance of his/her assigned uniforms, if said uniforms are lost or damaged through oversight or inattention by the individual employee, then said employee shall be financially responsible for the repair or replacement of such uniforms.

SECTION 3. Each employee covered under the terms and conditions of this Agreement shall have reserved a clothing allowance in the amount of \$800.00 per year to be used only for the purchase and replacement of items of uniformed clothing as prescribed by the City (including Detectives). Members will receive \$400.00 in clothing allowance on July 20th of each year and will receive the remaining amount on January 20th of each year. Such amounts will be deemed as taxable income.

SECTION 4. In the event of termination, resignation, death or retirement, the clothing allowance will be computed at a rate of 1/12th of the yearly benefit per month and, if the employee has encumbered an amount greater than the proportional amount of the

uniform allowance account that is due to him/her at the time of separation, said employee shall make appropriate reimbursement to the City or the amount will be withheld from his/her final pay draft.

SECTION 5. Body armor will be issued by the City to all sworn full time law enforcement officers. Body armor will be replaced every five (5) years or as recommended by the manufacturer. Body armor will be worn by all uniformed officers, including those assigned to patrol functions, while on regularly scheduled duty. Plain clothes officers (detectives) are required to wear body armor while on duty when engaging in activities involving an increased risk of physical harm. The mandatory wear requirements for officers on special assignment (not in uniform) will be determined by the Chief of Police on an assignment-by-assignment basis based on the risk of physical harm associated with the assignment and the impact of a wear requirement on the ability of the officer to effectively execute the assignment. (e.g. undercover assignments) The mandatory wear requirements established by this Section may be waived in writing by the Chief of Police based on medical necessity on a case by case basis. Officers requesting a waiver must submit a request in writing to the Chief of Police and include any supporting documentation from this officer's health care provider which substantiates the need for the waiver. This policy shall not apply

to Officers performing ceremonial functions, teaching, or to officers who are not scheduled to be on duty but who are being compensated for testifying in a Court proceeding.

ARTICLE 19

SHIFT/RANK STRUCTURE

SECTION 1. Patrol Division: The Patrol Division will consist of three shifts. Each shift will consist of a Captain, Lieutenant, Sergeant, and a number of Master Patrolman/Patrolman, which will be determined by the City and Police Chief. The duties of each rank will be outlined in the appropriate Police Department Uniform Rules and Regulations that govern the duties and responsibilities of each rank.

SECTION 2. The Criminal Investigations Division: The Criminal Investigations Division will consist of a Captain, Lieutenant, Sergeant, and a number of Master Patrolman/Patrolman. This also includes Narcotics/Interdiction Division and special assignments.

SECTION 3. The Police Chief may assign personnel to the Criminal Investigative Division on a temporary or permanent basis, as he may deem necessary. This decision will be based on several factors including, but not limited to seniority, evaluations, job performance, and attitude. The duties and responsibilities for these special assignments will be determined by the Police Chief.

ARTICLE 20

UNFAIR LABOR PRACTICE

SECTION 1. Both parties agree to comply with 11 O.S. 51-102 governing unfair labor practices.

ARTICLE 21

REIMBURSEMENT FOR PERSONAL PROPERTY

SECTION 1. Personal articles that are necessary to enable officers to better perform their duties that are damaged or broken in the line of duty shall be repaired or replaced at the option of the City.

SECTION 2. Personal articles as contained in this Article shall include, but not be limited to:

1. Prescription Eye Glasses or Contact Lenses
2. Dentures
3. Watches (subject to a \$100.00 limitation)
4. Prescription sunglasses (subject to a maximum of \$100.00)

SECTION 3. A written report of the damage or breakage shall be made to the on-duty Watch Commander when such damage or breakage occurs.

SECTION 4. When repair or replacement is necessary, the officer's report stating how, when, and where such damage or breakage occurs shall be forwarded to the Chief of Police.

ARTICLE 22

PERSONNEL REDUCTION

SECTION 1. In the event of a personnel reduction, the employee with the least seniority, according to time in rank shall be laid off first. Seniority shall be determined by the last date of hire as a Police Officer within the Police Department. Laid off employees will receive a fifteen (15) day notice prior to layoff, this notice will be written.

SECTION 2. No new employees shall be hired until the employee or employees laid off have been notified that an opening exists by certified or registered mail. Within fifteen (15) days after receipt of such notification, employee or employees on lay off will notify the City Personnel Office of their intention. Any employee's failure to respond within fifteen (15) days shall be considered as indication that the employee does not intend to continue his/her employment with the McAlester Police Department.

SECTION 3. Any employees laid off shall retain the recall preference for a period of twelve (12) months from the date of their individual release from duty.

ARTICLE 23

SEPARABILITY

SECTION 1. If any provision of this Agreement is declared by proper State or Federal law or judicial authority to be unlawful, unenforceable, or not in accordance with applicable Personnel Rules or law, all other provisions of this Agreement shall remain in full force and effect for the duration of this Agreement.

ARTICLE 24

WAIVER AND ENTIRE AGREEMENT

SECTION 1. The parties acknowledge that during negotiations, which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understandings and agreements arrived by the parties after the exercise of the right and opportunity are set forth in this Agreement. Therefore, the City and the F.O.P., for the life of this Agreement, each voluntarily and unqualifiedly waive the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter referred to or covered in this Agreement, even though such subject or matter may not have been within the knowledge or contemplation of either or both parties at the time they negotiated or signed this Agreement.

ARTICLE 25

DURATION OF AGREEMENT

SECTION 1. This Agreement shall be effective as of July 1 2013, and shall remain in full force and effect until June 30, 2014. This Agreement shall continue from year-to-year and be automatically extended for one-year terms unless changed by the mutual agreement of both bargaining parties and through written notice of request for bargaining given by either the City or the F.O.P. to the other party at least ninety (90) days before the anniversary date of this Agreement.

ARTICLE 26

SENIORITY

SECTION 1. Seniority shall be defined as follows: Seniority starts on the date an officer is hired in for Patrolman or when he receives a promotion. Seniority shall be by rank; Captains shall have seniority over all Lieutenants and below; Lieutenants shall have seniority over all Sergeants and below; Sergeants shall have seniority over all Master Patrolmen/Patrolmen and below. Seniority within a rank shall be determined by the date rank achieved.

SECTION 2. Upon completion of the probationary period, the employee shall be credited toward seniority with the time served during the probationary period.

SECTION 3. Where two or more employees in the rank of Patrolman are appointed on the same date, their relative seniority standing shall be determined in order of their employment application. Where two or more officers receive a promotion on the same date, their relative seniority shall be determined by their total score for that promotion test, evaluation, present seniority and oral interview.

SECTION 4. Seniority shall be lost upon occurrence of any of the following:

- a. Discharge, if not reversed
- b. Resignation;

c. Unexcused failure to return to work upon the expiration of formal leave of absence; and

d. Retirement

SECTION 5. Any officer returning to duty from medical retirement shall be reinstated to duty as a beginning Patrolman and shall not be reinstated to his/her former rank and shall not be given credit for seniority points previously acquired for purposes of promotional testing.

ARTICLE 27

GARNISHMENTS/LEVY ON WAGES

SECTION 1. Employees shall be expected to pay their bonafide debts so as not to bring discredit to the department and the City.

SECTION 2. Failure to comply with the Article by means of the City being served with a Garnishment and/or Levy on Wages on an employee may be cause for dismissal, providing such employee has had more than two (2) Garnishments and/or Levy on Wages served on the City for process within one (1) calendar year, excluding continuous orders.

ARTICLE 28

MUTUAL RESPONSIBILITY TO AVOID DISCRIMINATION

SECTION 1. Nothing in this Agreement shall be interpreted as diminishing the obligation of both parties to undertake affirmative action to insure that applicants or employees are treated without regard to race, color, religion, sex, physical or mental handicap, national origin, status, or union membership, or political affiliation. Specifically, pursuant to Equal Employment Opportunity Commission guidelines, each party is obligated to take positive action in affording equal employment, training and promotional opportunities to all members, as required by Title VII of the Civil Rights of 1964, as amended.

SECTION 2. In the event that any portion of this Agreement unintentionally conflicts with the employer's capability to be in compliance with said Act, the EEOC Guidelines will be overriding to that portion of this Agreement.

ARTICLE 29

PREVAILING RIGHTS

SECTION 1. All rules, regulations, fiscal procedures, working conditions, departmental practices and manner of conducting the operation and administration of the McAlester Police Department currently in effect on the effective date of this Agreement shall be deemed a part of this Agreement, unless and except as modified or changed by the specific terms of this Agreement.

SECTION 2. It is mutually recognized by the parties that this statutory requirement applies equally to each of the parties.

ARTICLE 30

INJURY LEAVE

SECTION 1. Injury leave shall be granted to any member of the bargaining unit who is injured on the job or who contracts an occupational illness on the job.

a. Injury leave will not exceed six (6) months unless authorized by the Police Chief and City Manager.

b. Injury leave will be granted only on the written recommendation and evaluation of a medical doctor. In the event an employee is granted injury leave, such employee shall submit a physician's written evaluation for each thirty (30) days so granted for injury leave, or any portion thereof, until said employee returns to work.

c. Injury leave granted under this provision will not be applied against accumulated sick leave. Employees will not accumulate sick leave during the time they are on injury leave.

ARTICLE 31

POLICE RULES AND REGULATIONS

SECTION 1. The Police Uniform Rules and Regulations shall become a part of the Collective Bargaining Agreement.

SECTION 2. The Police Uniform Rules and Regulations may only be modified or changed by agreement between the City and the F.O.P.

SECTION 3. The City still reserves the right to issue Administrative Policies and general personnel policies if they are necessary.

ARTICLE 32

PENSION/RETIREMENT

SECTION 1. In accordance with 11 O.S. 50-109 the City shall contribute thirteen percent (13%) of the F.O.P. members' actual base salary to the Police Pension and Retirement System.

SECTION 2. In accordance with 11 O.S. 50-110, each member shall pay his/her share of the eight percent (8%) contribution to the Oklahoma State Police Pension and Retirement System.

SECTION 3. The Police Pension shall govern all other terms of pension and retirement and Retirement System as provided in 11 O.S. 50-101-50-309, et al.

ARTICLE 33

ALCOHOL AND DRUG-FREE WORKPLACE POLICY

SECTION 1. Purpose

This article shall apply to all members of the bargaining unit.

The purpose of this policy is to maintain a work environment that is safe and conducive to high work standards. This policy covers the possession or use of drugs and/or alcohol by employees of the Department.

SECTION 2. Policy

The possession, use, manufacture, dispensation, sale, or distribution of alcohol and/or illegal drugs (this includes illegally-obtained prescription medication) while on duty, on City property, or while in a City vehicle are prohibited and will result in immediate suspension pending further action which may include termination. Being under the influence of alcohol and/or illegal drugs (including illegally-obtained prescription medications) while on duty, on City property or in a City vehicle is prohibited and may result in discipline, up to and including termination.

Such conduct is also prohibited during non-work hours to the extent that, in the Employer's opinion, it impairs the employee's ability to perform on-the-job.

The use of prescribed drugs or over-the-counter drugs, which adversely affect performance or behavior, must be reported by the employee to his/her immediate supervisor upon reporting for duty.

SECTION 3. Drug and Alcohol Rehabilitation

Any employee who feels that he/she has developed an addiction or dependence on alcohol or drugs is encouraged to seek assistance. Requests for assistance will be confidential.

The decision to grant leave for rehabilitation will be totally at the discretion of the City of McAlester. The factors to be considered will include tenure, degree of responsibility, and past work history. A request for assistance will not be considered during an investigation of possible wrong doing by the employee making the request.

Rehabilitation itself is the responsibility of the employee. An employee seeking medical attention for alcoholism or drug use should use an approved health provider for rehabilitation. The insurance plan provides for health benefits on the same basis and with the same restrictions and limits as other illnesses. The employee should review his/her health care benefit information for restrictions and limitations of benefits.

SECTION 4. Definition

1. "Alcohol" means ethyl alcohol or ethanol.

2. "Company property" includes, but is not limited to, any company facilities, employee parking lots and company-owned or leased vehicles, vessels, aircraft and other equipment.

3. "Confirmation test" means a drug or alcohol test on a sample to substantiate the results of a prior drug or alcohol test on the same sample and which uses different chemical principles and is of equal or greater accuracy than the prior drug or alcohol.

4. "Drug or alcohol test" means a chemical test administered for the purpose of determining the presence or absence of a drug, its metabolites, or alcohol in a person's body tissue, fluids or products.

5. "Drug" includes, but is not limited to, marijuana, amphetamines, cannabinoids, phencyclidine (PCP), hallucinogens, methaqualone, opiates, barbiturates, benzodiazepines, synthetic narcotics, designer drugs, or a metabolite of any of the substances listed herein.

6. "On the job" means any time an employee is acting on behalf of the City of McAlester; any time during which the employee is being compensated by the City of McAlester; and any time the employee is in the capacity of law enforcement officer.

7. A "positive" test result means that the drug or alcohol test indicated the presence of a drug, its metabolite, or alcohol.

8. "Review officer" means a person, qualified by the State Board of Health, who is responsible for receiving results from a testing facility which has been generated by the City's drug or alcohol testing program and who has knowledge and training to interpret and evaluate an individual's test results together with the individual's medical history and other relevant information.

9. "Sample" means tissue, fluid, or product of the human body chemically capable of revealing the presence of drugs or alcohol in the human body.

10. "Testing facility" means any person, including any laboratory, hospital, clinic, or facility, either off or on the premises of the employer, which provide laboratory services to test for the presence of drugs or alcohol in the human body.

SECTION 5. Violation of this Policy

Employees who violate any aspect of this policy (including receiving a confirmed positive test result or the refusal to submit to testing) may be subject to disciplinary action, up to and including termination. In addition, the City may, at its discretion, require employees who violate this

policy to successfully complete a drug abuse assistance or rehabilitation program as a condition of continued employment.

SECTION 6. Types of Testing

a. Reasonable Suspicion Testing: The City may require an employee to undergo drug or alcohol testing if there is "reasonable suspicion" that an employee is using or has used drugs or alcohol in violation of the City policy drawn from specific objective, articulable facts, and reasonable inferences drawn from those facts in light of experience and may be based upon, among other things, the following:

1. Observable phenomena, such as
 - a. The physical symptoms or manifestations of being under the influence of a drug or alcohol while at work or on duty, or
 - b. The direct observation of drug or alcohol use while at work or on duty,
2. a. Report of drug or alcohol use while at work or on duty provided by reliable and credible sources and which has been independently corroborated,
3. Evidence that an individual has tampered with a drug or alcohol test during his/her employment with this City, or
4. Evidence that an employee is involved in the use, possession, sale, solicitation or transfer of drugs while

on the job or while on City property or while operating the City's vehicle, machinery or equipment.

b. Post Accident Testing. An employee will be required to undergo drug or alcohol testing if the City has a reasonable suspicion that the employee or another person has sustained a work-related injury or the City's property has been damaged, including damage to equipment, in an amount reasonably estimated at the time of the accident to exceed Five Hundred dollars. (\$500.00)

c. Random Testing. Employees may be tested on a random selection basis, which means that each employee from a group of employees subject to the selection mechanism has an equal probability of being selected, and the City has no discretion to waive the testing of any employee selected.

d. Post-Rehabilitation Testing. If an employee is allowed to return to work after a confirmed positive test result or following participation in a drug/alcohol dependency treatment plan, the employee will be subject to drug and alcohol tests WITHOUT notice for a period of two years from the date of the employee's return to work.

SECTION 7. Confirmation Testing

A confirmation test is a drug or alcohol test on a sample to substantiate the results of a prior drug or alcohol test on the

same sample, which uses different chemical principles and is of equal greater accuracy than the prior or alcohol test. If the confirmation test yields a positive result, the test result will be a "confirmed positive".

If the employee wishes to have the same sample re-tested, the employee must, in writing, request such a re-test within ten (10) calendar days of the employee's receipt of notification of the confirmed positive result. Any such re-test, including transportation, will be at the sole expense of the employee or applicant. In addition, the employee shall, at all times, have the right to explain the test in confidence.

SECTION 8. Testing Methods and Collection Procedures

- a. All collection and testing shall be done in accordance with the rules promulgated by the Oklahoma State Board of health.
- b. All sample collection and testing for drugs and alcohol pursuant to the provisions of this act shall be conducted in accordance with the following conditions:

- 1. Samples shall be collected and tested only by individuals deemed qualified by the State Board of Health and may be collected on the premises of the employer;
- 2. Only samples deemed appropriate by the State Board of Health for drug and alcohol testing shall be collected;

3. The collection of samples shall be performed under reasonable and sanitary conditions;

4. A sample shall be collected in sufficient quantity for splitting into separate specimens, pursuant to rules of the State Board of Health, to provide for any subsequent independent analysis in the event of challenge of the test results on the main specimen;

5. Samples shall be collected and tested with due regard to the privacy of the individual being tested.

In the instances of the urinalysis, no employer or representative, agent or designee of the employer shall directly observe an applicant or employee in the process of producing a urine sample; provided, however, collection shall be in a manner reasonably calculated to prevent substitutions or interference with the collection of testing of reliable samples;

6. Sample collection shall be documented, and the documentation procedures shall include:

a. Labeling of samples so as to reasonably preclude the probability of erroneous identification of the test results, and

b. An opportunity for the employee to provide notification of any information, which the employee

considers relevant to the test, including
identification of currently or recently used
prescription or non-prescription drugs, or other
relevant information;

7. Sample collection storage and transportation to the testing facility shall be performed so as to reasonably preclude the probability of sample contamination or adulteration;

8. Sample testing shall conform to scientifically-accepted analytical methods and procedures. Testing shall include confirmation of any positive test result by gas chromatography, gas chromatography-mass spectroscopy, or an equivalent scientifically-accepted method of equal or greater accuracy as approved by State Board of Health rule, at the cutoff levels as determined by State Board of Health rule.

9. A written record of the chain of custody of the sample shall be maintained from the time of the collection of the sample until the sample is no longer required.

SECTION 9. Persons Subject to be Tested

All members of the bargaining unit are subject to testing.

SECTION 10. Time of Testing

Any drug or alcohol testing will occur during or immediately ~~before or after the regular work period of the employee involved~~ and will be deemed work time for purpose of compensation and benefits for the employee.

SECTION 11. Cost of Testing

The City shall pay all costs of testing for drugs or alcohol required by this policy including confirmation tests required by this policy and the cost of transportation of the testing of a current employee is conducted at a place other than the workplace.

If an employee requests a re-test of a sample in order to challenge the results of a positive test result, the employee shall pay all costs of the re-test; however, if the re-test reverses the findings of the challenged positive test, the employer shall reimburse the individual for the cost of the re-test.

SECTION 12. Records

a. The City shall maintain all drug and alcohol test results and related information, including, but not limited to interviews, report, statements, and memorandum, as confidential records, separate from other personnel records. Such records, including the records of the testing facility, shall not be used in any criminal proceedings or any civil or administrative proceedings except in those actions taken by the employer or in any action involving the individual tested and the employer or

unless such records are ordered released pursuant to a valid court order.

b. The records described herein shall be the property of the City and, upon the request of the employee tested, shall be made available for inspection and copying to the employee tested. The City will not release such records to any person other than the employee tested or the City's review officer unless the employee tested, in writing following the receipt of the test results, has expressly granted permission for the employer to release such records pursuant to a valid court order.

SECTION 13. Disciplinary Actions

Under the policy, employers may not take disciplinary action, other than temporary suspension, against the employees who test positive for drugs or alcohol, unless the test is "confirmed" by a second test performed on the same sample using one of the methods specified in the policy which is of equal or greater accuracy than previously administered test.

IN WITNESS WHEREOF, the parties hereto have set their hands this

_____ day of _____ 2013.

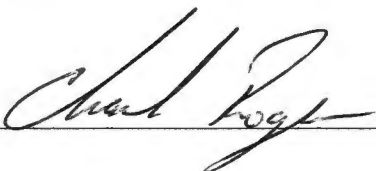
CITY OF McALESTER, OKLAHOMA
A Municipal Corporation

By _____
Mayor

ATTEST:

City Clerk

FRATERNAL ORDER OF POLICE
Lodge 97
Bargaining Agent

By



Secretary

**SAMPLE PLAN DOCUMENT
SECTION 125
FLEXIBLE BENEFIT PLAN**

The attached plan document and adoption agreement are being provided for illustrative purposes only. Because of differences in facts, circumstances, and the laws of the various states, interested parties should consult their own attorneys. This document is intended as a guide only, for use by local counsel.

**SECTION 125 FLEXIBLE BENEFIT PLAN
ADOPTION AGREEMENT**

The undersigned Employer hereby adopts the Section 125 Flexible Benefit Plan for those Employees who shall qualify as Participants hereunder. The Employer hereby selects the following Plan specifications:

A. EMPLOYER INFORMATION

Name of Employer:	CITY OF MCALESTER
Address:	28 E WASHINGTON MCALESTER, OK 74502
Employer Identification Number:	73-6005314
Nature of Business:	MUNICIPALITY
Name of Plan:	CITY OF MCALESTER FLEXIBLE BENEFIT PLAN
Plan Number:	501

B. EFFECTIVE DATE

Original effective date of the Plan:	July 1, 1995
If Amendment to existing plan, effective date of amendment:	July 1, 2013

C. ELIGIBILITY REQUIREMENTS FOR PARTICIPATION

Eligibility requirements for each component plan under this Section 125 document will be applicable and, if different, will be listed in Item F.

Length of Service:	First day of the month following 90 days of service.
---------------------------	--

Minimum Hours:	All employees with 40 hours of service or more each week. An hour of service is each hour for which an employee receives, or is entitled to receive, payment for performance of duties for the Employer.
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Age:	Minimum age of 18 years.
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D. PLAN YEAR

The current plan year will begin on July 1, 2013 and end on June 30, 2014. Each subsequent plan year will begin on July 1 and end on June 30.

E. EMPLOYER CONTRIBUTIONS

Non-Elective Contributions:

The maximum amount available to each Participant for the purchase of elected benefits with non-elective contributions will be:

100% of employee only medical, dental and vision.

The Employer may at its sole discretion provide a non-elective contribution to provide benefits for each Participant under the Plan. This amount will be set by the Employer each Plan Year in a uniform and non-discriminatory manner. If this non-elective contribution amount exceeds the cost of benefits elected by the Participant, excess amounts will not be paid to the Participant as taxable cash.

**Elective Contributions
(Salary Reduction):**

The maximum amount available to each Participant for the purchase of elected benefits through salary reduction will be:

100% of compensation per entire plan year.

Each Participant may authorize the Employer to reduce his or her compensation by the amount needed for the purchase of benefits elected, less the amount of non-elective contributions. An election for salary reduction will be made on the benefit election form.

F. **AVAILABLE BENEFITS:** Each of the following components should be considered a plan that comprises this Plan.

1. **Group Medical Insurance** -- The terms, conditions, and limitations for the Group Medical Insurance will be as set forth in the insurance policy or policies described below: (See Section V of the Plan Document)

**American Fidelity Assurance Company Accident Only Plan,
Hospital Indemnity, and Critical Illness
BlueCross/BlueShield**

Eligibility Requirements for Participation, if different than Item C.

2. **Disability Income Insurance** -- The terms, conditions, and limitations for the Disability Income Insurance will be as set forth in the insurance policy or policies described below: (See Section VI of the Plan Document)

N/A

Eligibility Requirements for Participation, if different than Item C.

3. **Cancer Coverage** -- The terms, conditions, and limitations for the Cancer Coverage will be as set forth in the insurance policy or policies described below: (See Section V of the Plan Document)

American Fidelity Assurance Company

Eligibility Requirements for Participation, if different than Item C.

4. **Dental/Vision Insurance** -- The terms, conditions, and limitations for the Dental/Vision Insurance will be as set forth in the insurance policy or policies described below: (See Section V of the Plan Document)

**Guardian Dental
Superior Vision**

Eligibility Requirements for Participation, if different than Item C.

5. **Group Life Insurance** which will be comprised of Group-term life insurance and Individual term life insurance under Section 79 of the Code.

The terms, conditions, and limitations for the Group Life Insurance will be as set forth in the insurance policy or policies described below: (See Section VII of the Plan Document)

N/A

Individual life coverage under Section 79 is available as a benefit, and the face amount when combined with the group-term life, if any, N/A exceed \$50,000.

Eligibility Requirements for Participation, if different than Item C.

6. **Dependent Care Assistance Plan** -- The terms, conditions, and limitations for the Dependent Care Assistance Plan will be as set forth in Section IX of the Plan Document and described below:

Minimum Contribution - \$ 0.00 per Plan Year

Maximum Contribution - \$ 5000.00 per Plan Year

Recordkeeper: **American Fidelity Assurance Company**

Eligibility Requirements for Participation, if different than Item C.

N/A

7. **Medical Expense Reimbursement Plan** -- The terms, conditions, and limitations for the Medical Expense Reimbursement Plan will be as set forth in Section VIII of the Plan Document and described below:

Minimum Coverage - \$ 0.00 per Plan Year

Maximum Coverage - \$ 2500.00 per Plan Year

Recordkeeper: **American Fidelity Assurance Company**

Restrictions: N/A

Grace Period: The provisions in Section 8.06 of the Plan to permit a Grace Period with respect to the Medical Expense Reimbursement Plan are elected.

HEART ACT: The provisions in Section 8.07 of the Plan to permit the Qualified Reservist Distribution of the Heroes Earnings Assistance and Relief Tax Act (HEART) are elected.

Debit Card: The provisions in Section 8.05 of the Plan to permit the offer of the Debit Card with respect to the Medical Expense Reimbursement Plan are elected.

Eligibility Requirements for Participation, if different than Item C.

8. **Health Savings Accounts** – The Plan permits contributions to be made to a Health Savings Account on a pretax basis in accordance with Section X of the Plan and the following provisions:

HSA Trustee – N/A

Maximum Contribution – As indexed annually by the IRS.

Limitation on Eligible Medical Expenses – For purposes of the Medical Reimbursement Plan, Eligible Medical Expenses of a Participant that is eligible for and elects to participate in a Health Savings Account shall be limited to expenses for:

N/A

Eligibility Requirements for Participation, if different than Item C.

- a. An Employee must complete a Certification of Health Savings Account Eligibility which confirms that the Participant is an eligible individual who is entitled to establish a Health Savings Account in accordance with Code Section 223(c)(1).
- b. Eligibility for the Health Savings Account shall begin on the later of (i) first day of the month coinciding with or next following the Employee's commencement of coverage under the High Deductible Health Plan, or (ii) the first day following the end of a Grace Period available to the Employee with respect to the Medical Reimbursement Accounts that are not limited to vision and dental expenses (unless the participant has a \$0.00 balance on the last day of the plan year).
- c. An Employee's eligibility for the Health Savings Account shall be determined monthly.

The Plan shall be construed, enforced, administered, and the validity determined in accordance with the applicable provisions of the Employee Retirement Income Security Act of 1974, (as amended) if applicable, the Internal Revenue Code of 1986 (as amended), and the laws of the State of Oklahoma. Should any provision be determined to be void, invalid, or unenforceable by any court of competent jurisdiction, the Plan will continue to operate, and for purposes of the jurisdiction of the court only, will be deemed not to include the provision determined to be void.

This Plan is hereby adopted this _____ day of _____, 20__.

CITY OF MCALESTER
(Name of Employer)

Witness: _____ By: _____

Title: _____ Title: _____

APPENDIX A

Related Employers that have adopted this Plan

Name(s):
N/A

THIS DOCUMENT IS NOT COMPLETE WITHOUT SECTIONS I THROUGH XIII
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SECTION 125 FLEXIBLE BENEFIT PLAN

SECTION I

PURPOSE

The Employer is establishing this Flexible Benefit Plan in order to make a broader range of benefits available to its Employees and their Beneficiaries. This Plan allows Employees to choose among different types of benefits and select the combination best suited to their individual goals, desires, and needs. These choices include an option to receive certain benefits in lieu of taxable compensation.

In establishing this Plan, the Employer desires to attract, reward, and retain highly qualified, competent Employees, and believes this Plan will help achieve that goal.

It is the intent of the Employer to establish this Plan in conformity with Section 125 of the Internal Revenue Code of 1986, as amended, and in compliance with applicable rules and regulations issued by the Internal Revenue Service. This Plan will grant to eligible Employees an opportunity to purchase qualified benefits which, when purchased alone by the Employer, would not be taxable.

SECTION II

DEFINITIONS

The following words and phrases appear in this Plan and will have the meaning indicated below unless a different meaning is plainly required by the context:

- | | | |
|------|----------------------|---|
| 2.01 | Administrator | The Employer unless another has been designated in writing by the Employer as Administrator within the meaning of Section 3(16) of ERISA (if applicable). |
| 2.02 | Beneficiary | Any person or persons designated by a participating Employee to receive any benefit payable under the Plan on account of the Employee's death. |
| 2.03 | Code | Internal Revenue Code of 1986, as amended. |
| 2.04 | Dependent | Any of the following:
(a) <u>Tax Dependent</u> : A Dependent includes a Participant's spouse and any other person who is a Participant's dependent within the meaning of Code Section 152, provided that, with respect to any plan that provides benefits that are excluded from an Employee's income under Code Section 105, a Participant's dependent (i) is any person within the meaning of Code Section 152, determined without regard to Subsections (b)(1), (b)(2), and (d)(1)(B) thereof, and (ii) includes any child of the Participant to whom Code Section 152(e) applies (such child will be treated as a dependent of both divorced parents). |

(b) Student on a Medically Necessary Leave of Absence: With respect to any plan that is considered a group health plan under Michelle's Law (and not a HIPAA excepted benefit under Code Sections 9831(b), (c) and 9832(c)) and to the extent the Employer is required by Michelle's Law to provide continuation coverage, a Dependent includes a child who qualifies as a Tax Dependent (defined in Section 2.04(a)) because of his or her full-time student status, is enrolled in a group health plan, and is on a medically necessary leave of absence from school. The child will continue to be a Dependent if the medically necessary leave of absence commences while the child is suffering from a serious illness or injury, is medically necessary, and causes the child to lose student status for purposes of the group health plan's benefits coverage. Written physician certification that the child is suffering from a serious illness or injury and that the leave of absence is medically necessary is required at the Administrator's request. The child will no longer be considered a Dependent as of the earliest date that the child is no longer on a medically necessary leave of absence, the date that is one year after the first day of the medically necessary leave of absence, or the date benefits would otherwise terminate under either the group health plan or this Plan. Terms related to Michelle's Law, and not otherwise defined, will have the meaning provided under the Michelle's Law provisions of Code Section 9813.

(c) Adult Children: With respect to any plan that provides benefits that are excluded from an Employee's income under Code Section 105, a Dependent includes a child of a Participant who as of the end of the calendar year has not attained age 27. A 'child' for purpose of this Section 2.04(c) means an individual who is a son, daughter, stepson, or stepdaughter of the Participant, a legally adopted individual of the Participant, an individual who is lawfully placed with the Participant for legal adoption by the Participant, or an eligible foster child who is placed with the Participant by an authorized placement agency or by judgment, decree, or other order of any court of competent jurisdiction. An adult child described in this Section 2.04(c) is only a Dependent with respect to benefits provided after March 30, 2010 (subject to any other limitations of the Plan).

Dependent for purposes of the Dependent Care Reimbursement Plan is defined in Section 9.04(a).

2.05 Effective Date

The effective date of this Plan as shown in Item B of the Adoption Agreement.

2.06	Elective Contribution	The amount the Participant authorizes the Employer to reduce compensation for the purchase of benefits elected.
2.07	Eligible Employee	Employee meeting the eligibility requirements for participation as shown in Item C of the Adoption Agreement.
2.08	Employee	Any person employed by the Employer on or after the Effective Date.
2.09	Employer	The entity shown in Item A of the Adoption Agreement, and any Related Employers authorized to participate in the Plan with the approval of the Employer. Related Employers who participate in this Plan are listed in Appendix A to the Adoption Agreement. For the purposes of Section 11.01 and 11.02, only the Employer as shown in Item A of the Adoption Agreement may amend or terminate the Plan.
2.10	Employer Contributions	Amounts that have not been actually received by the Participant and are available to the Participant for the purpose of selecting benefits under the Plan. This term includes Non-Elective Contributions and Elective Contributions through salary reduction.
2.11	Entry Date	The date that an Employee is eligible to participate in the Plan.
2.12	ERISA	The Employee Retirement Income Security Act of 1974, Public Law 93-406 and all regulations and rulings issued thereunder, as amended (if applicable).
2.13	Fiduciary	The named fiduciary shall mean the Employer, the Administrator and other parties designated as such, but only with respect to any specific duties of each for the Plan as may be set forth in a written agreement.
2.14	Health Savings Account	A "health savings account" as defined in Section 223(d) of the Internal Revenue Code of 1986, as amended established by the Participant with the HSA Trustee.
2.15	HSA Trustee	The Trustee of the Health Savings Account which is designated in Section F.8 of the Adoption Agreement.
2.16	Highly Compensated	Any Employee who at any time during the Plan Year is a "highly compensated employee" as defined in Section 414(q) of the Code.
2.17	High Deductible Health Plan	A health plan that meets the statutory requirements for annual deductibles and out-of-pocket expenses set forth in Code section 223(c)(2).
2.18	HIPAA	The Health Insurance Portability and Accountability Act of 1996, as amended.
2.19	Insurer	Any insurance company that has issued a policy pursuant to the terms of this Plan.

2.20	Key Employee	Any Participant who is a "key employee" as defined in Section 416(i) of the Code.
2.21	Non-Elective Contribution	A contribution amount made available by the Employer for the purchase of benefits elected by the Participant.
2.22	Participant	An Employee who has qualified for Plan participation as provided in Item C of the Adoption Agreement.
2.23	Plan	The Plan referred to in Item A of the Adoption Agreement as may be amended from time to time.
2.24	Plan Year	The Plan Year as specified in Item D of the Adoption Agreement.
2.25	Policy	An insurance policy issued as a part of this Plan.
2.26	Preventative Care	Medical expenses which meet the safe harbor definition of "preventative care" set forth in IRS Notice 2004-23, which includes, but is not limited to, the following: (i) periodic health evaluations, such as annual physicals (and the tests and diagnostic procedures ordered in conjunction with such evaluations); (ii) well-baby and/or well-child care; (iii) immunizations for adults and children; (iv) tobacco cessation and obesity weight-loss programs; and (v) screening devices. However, preventative care does not generally include any service or benefit intended to treat an existing illness, injury or condition.
2.27	Recordkeeper	The person designated by the Employer to perform recordkeeping and other ministerial duties with respect to the Medical Expense Reimbursement Plan and/or the Dependent Care Reimbursement Plan.
2.28	Related Employer	Any employer that is a member of a related group of organizations with the Employer shown in Item A of the Adoption Agreement, and as specified under Code Section 414(b), (c) or (m).

SECTION III

ELIGIBILITY, ENROLLMENT, AND PARTICIPATION

- 3.01 **ELIGIBILITY:** Each Employee of the Employer who has met the eligibility requirements of Item C of the Adoption Agreement will be eligible to participate in the Plan on the Entry Date specified or the Effective Date of the Plan, whichever is later. Dependent eligibility to receive benefits under any of the plans listed in Item F of the Adoption Agreement will be described in the documents governing those benefit plans. To the extent a Dependent is eligible to receive benefits under a plan listed in Item F, an Eligible Employee may elect coverage under this Plan with respect to such Dependent. Notwithstanding the foregoing, life insurance coverage on the life of a Dependent may not be elected under this Plan.

- 3.02 ENROLLMENT: An eligible Employee may enroll (or re-enroll) in the Plan by submitting to the Employer, during an enrollment period, an Election Form which specifies his or her benefit elections for the Plan Year and which meets such standards for completeness and accuracy as the Employer may establish. A Participant's Election Form shall be completed prior to the beginning of the Plan Year, and shall not be effective prior to the date such form is submitted to the Employer. Any Election Form submitted by a Participant in accordance with this Section shall remain in effect until the earlier of the following dates: the date the Participant terminates participation in the Plan; or, the effective date of a subsequently filed Election Form.

A Participant's right to elect certain benefit coverage shall be limited hereunder to the extent such rights are limited in the Policy. Furthermore, a Participant will not be entitled to revoke an election after a period of coverage has commenced and to make a new election with respect to the remainder of the period of coverage unless both the revocation and the new election are on account of and consistent with a change in status, or other allowable events, as determined by Section 125 of the Internal Revenue Code and the regulations thereunder.

- 3.03 TERMINATION OF PARTICIPATION: A Participant shall continue to participate in the Plan until the earlier of the following dates:

- (a) The date the Participant terminates employment by death, disability, retirement or other separation from service; or
- (b) The date the Participant ceases to work for the Employer as an eligible Employee; or
- (c) The date of termination of the Plan; or
- (d) The first date a Participant fails to pay required contributions while on a leave of absence.

- 3.05 SEPARATION FROM SERVICE: The existing elections of an Employee who separates from the employment service of the Employer shall be deemed to be automatically terminated and the Employee will not receive benefits for the remaining portion of the Plan Year.

- 3.06 QUALIFYING LEAVE UNDER FAMILY LEAVE ACT: Notwithstanding any provision to the contrary in this Plan, if a Participant goes on a qualifying unpaid leave under the Family and Medical Leave Act of 1993 (FMLA), to the extent required by the FMLA, the Employer will continue to maintain the Participant's existing coverage under the Plan with respect to benefits under Section V and Section VIII of the Plan on the same terms and conditions as though he were still an active Employee. If the Employee opts to continue his coverage, the Employee may pay his Elective Contribution with after-tax dollars while on leave (or pre-tax dollars to the extent he receives compensation during the leave), or the Employee may be given the option to pre-pay all or a portion of his Elective Contribution for the expected duration of the leave on a pre-tax salary reduction basis out of his pre-leave compensation (including unused sick days or vacation) by making a special election to that effect prior to the date such compensation would normally be made available to him (provided, however, that pre-tax dollars may not be utilized to fund coverage during the next plan year), or via other arrangements agreed upon between the Employee and the Administrator (e.g., the Administrator may fund coverage during the leave and withhold amounts upon the Employee's return). Upon return from such leave, the Employee will be permitted to reenter the Plan on the same basis the Employee was participating in the Plan prior to his leave, or as otherwise required by the FMLA.

SECTION IV

CONTRIBUTIONS

- 4.01 EMPLOYER CONTRIBUTIONS: The Employer may pay the costs of the benefits elected under the Plan with funds from the sources indicated in Item E of the Adoption Agreement. The Employer Contribution may be made up of Non-Elective Contributions and/or Elective Contributions authorized by each Participant on a salary reduction basis.
- 4.02 IRREVOCABILITY OF ELECTIONS: A Participant may file a written election form with the Administrator before the end of the current Plan Year revising the rate of his contributions or discontinuing such contributions effective as of the first day of the next following Plan Year. The Participant's Elective Contributions will automatically terminate as of the date his employment terminates. Except as provided in this Section 4.02 and Section 4.03, a Participant's election under the Plan is irrevocable for the duration of the plan year to which it relates. The exceptions to the irrevocability requirement which would permit a mid-year election change in benefits and the salary reduction amount elected are set out in the Treasury regulations promulgated under Code Section 125, which include the following:
- (a) Change in Status. A Participant may change or revoke his election under the Plan upon the occurrence of a valid change in status, but only if such change or termination is made on account of, and is consistent with, the change in status in accordance with the Treasury regulations promulgated under Section 125. The Employer, in its sole discretion as Administrator, shall determine whether a requested change is on account of and consistent with a change in status, as follows:
- (1) Change in Employee's legal marital status, including marriage, divorce, death of spouse, legal separation, and annulment;
 - (2) Change in number of Dependents, including birth, adoption, placement for adoption, and death;
 - (3) Change in employment status, including any employment status change affecting benefit eligibility of the Employee, spouse or Dependent, such as termination or commencement of employment, change in hours, strike or lockout, a commencement or return from an unpaid leave of absence, and a change in work site. If the eligibility for either the cafeteria Plan or any underlying benefit plans of the Employer of the Employee, spouse or Dependent relies on the employment status of that individual, and there is a change in that individual's employment status resulting in gaining or losing eligibility under the Plan, this constitutes a valid change in status. This category only applies if benefit eligibility is lost or gained as a result of the event. If an Employee terminates and is rehired within 30 days, the Employee is required to step back into his previous election. If the Employee terminates and is rehired after 30 days, the Employee may either step back into the previous election or make a new election;
 - (4) Dependent satisfies, or ceases to satisfy, Dependent eligibility requirements due to attainment of age, gain or loss of student status, marriage or any similar circumstances; and
 - (5) Residence change of Employee, spouse or Dependent, affecting the Employee's eligibility for coverage.
- (b) Special Enrollment Rights. If a Participant or his or her spouse or Dependent is entitled to special enrollment rights under a group health plan (other than an excepted benefit), as required by HIPAA under Code Section 9801(f) or Section 2701(f) of the Public Health Service Act, then a Participant may revoke a prior election for group health plan coverage and make a new election, provided that

the election change corresponds with such HIPAA special enrollment right. As required by HIPAA, a special enrollment right will arise in the following circumstances: (i) a Participant or his or her spouse or Dependent declined to enroll in group health plan coverage because he or she had coverage, and eligibility for such coverage is subsequently lost because the coverage was provided under COBRA and the COBRA coverage was exhausted, or the coverage was non-COBRA coverage and the coverage terminated due to loss of eligibility for coverage or the employer contributions for the coverage were terminated; (ii) a new Dependent is acquired as a result of marriage, birth, adoption, or placement for adoption; (iii) the Participant's or his or her spouse's or Dependent's coverage under a Medicaid plan or under a children's health insurance program (CHIP) is terminated as a result of loss of eligibility for such coverage and the Participant requests coverage under the group health plan not later than 60 days after the date of termination of such coverage; or (iv) the Participant, his or her spouse or Dependent becomes eligible for a state premium assistance subsidy from a Medicaid plan or through a state children's insurance program with respect to coverage under the group health plan and the Participant requests coverage under the group health plan not later than 60 days after the date the Participant, his or her spouse or Dependent is determined to be eligible for such assistance. An election change under (iii) or (iv) of this provision must be requested within 60 days after the termination of Medicaid or state health plan coverage or the determination of eligibility for a state premium assistance subsidy, as applicable. Special enrollment rights under the health insurance plan will be determined by the terms of the health insurance plan.

- (c) Certain Judgments, Decrees or Orders. If a judgment, decree or order resulting from a divorce, legal separation, annulment or change in legal custody (including a qualified medical child support order [QMCSO]) requires accident or health coverage for a Participant's child or for a foster child who is a dependent of the Participant, the Participant may have a mid-year election change to add or drop coverage consistent with the Order.
- (d) Entitlement to Medicare or Medicaid. If a Participant, Participant's spouse or Participant's Dependent who is enrolled in an accident or health plan of the Employer becomes entitled to Medicare or Medicaid (other than coverage consisting solely of benefits under Section 1928 of the Social Security Act providing for pediatric vaccines), the Participant may cancel or reduce health coverage under the Employer's Plan. Loss of Medicare or Medicaid entitlement would allow the Participant to add health coverage under the Employer's Plan.
- (e) Family Medical Leave Act. If an Employee is taking leave under the rules of the Family Medical Leave Act, the Employee may revoke previous elections and re-elect benefits upon return to work.
- (f) COBRA Qualifying Event. If an Employee has a COBRA qualifying event (a reduction in hours of the Employee, or a Dependent ceases eligibility), the Employee may increase his pre-tax contributions for coverage under the Employer's Plan if a COBRA event occurs with respect to the Employee, the Employee's spouse or Dependent. The COBRA rule does not apply to COBRA coverage under another Employer's Plan.
- (g) Changes in Eligibility for Adult Children. To the extent the Employer amends a plan listed in Item F of the Adoption Agreement that provides benefits that are excluded from an Employee's income under Code Section 105 to provide that Adult Children (as defined in Section 2.04(c)) are eligible to receive benefits under the plan, an Eligible Employee may make or change an election under this Plan to add coverage for the Adult Child and to make any corresponding change to the Eligible Employee's coverage that is consistent with adding coverage for the Adult Child.

- (h) Notwithstanding anything to the contrary in this Section 4.02, the change in election rules in this Section 4.02 do not apply to the Medical Expense Reimbursement Plan, or may not be modified with respect to the Medical Expense Reimbursement Plan if the Plan is being administered by a Recordkeeper other than the Employer, unless the Employer and the Recordkeeper otherwise agree in writing.

4.03 OTHER EXCEPTIONS TO IRREVOCABILITY OF ELECTIONS. Other exceptions to the irrevocability of election requirement permit mid-year election changes and apply to all qualified benefits except for Medical Expense Reimbursement Plans, as follows:

- (a) Change in Cost. If the cost of a benefit package option under the Plan significantly increases during the plan year, Participants may (i) make a corresponding increase in their salary reduction amount, (ii) revoke their elections and make a prospective election under another benefit option offering similar coverage, or (iii) revoke election completely if no similar coverage is available, including in spouse or dependent's plan. If the cost significantly decreases, employees may elect coverage even if they had not previously participated and may drop their previous election for a similar coverage option in order to elect the benefit package option that has decreased in cost during the year. If the increased or decreased cost of a benefit package option under the Plan is insignificant, the participant's salary reduction amount shall be automatically adjusted.
- (b) Significant curtailment of coverage.
- (i) With no loss of coverage. If the coverage under a benefit package option is significantly curtailed or ceases during the Plan Year, affected Participants may revoke their elections for the curtailed coverage and make a new prospective election for coverage under another benefit package option providing similar coverage.
- (ii) With loss of coverage. If there is a significant curtailment of coverage with loss of coverage, affected Participants may revoke election for curtailed coverage and make a new prospective election for coverage under another benefit package option providing similar coverage, or drop coverage if no similar benefit package option is available.
- (c) Addition or Significant Improvement of Benefit Package Option. If during the Plan Year a new benefit package option is added or significantly improved, eligible employees, whether currently participating or not, may revoke their existing election and elect the newly added or newly improved option.
- (d) Change in Coverage of a Spouse or Dependent Under Another Employer's Plan. If there is a change in coverage of a spouse, former spouse, or Dependent under another employer's plan, a Participant may make a prospective election change that is on account of and corresponds with a change made under the plan of the spouse or Dependent. This rule applies if (1) mandatory changes in coverage are initiated by either the insurer of spouse's plan or by the spouse's employer, or (2) optional changes are initiated by the spouse's employer or by the spouse through open enrollment.
- (e) Loss of coverage under other group health coverage. If during the Plan Year coverage is lost under any group health coverage sponsored by a governmental or educational institution, a Participant may prospectively change his or her election to add group health coverage for the affected Participant or his or her spouse or dependent.

- 4.04 CASH BENEFIT: Available amounts not used for the purchase of benefits under this Plan may be considered a cash benefit under the Plan payable to the Participant as taxable income to the extent indicated in Item E of the Adoption Agreement.
- 4.05 PAYMENT FROM EMPLOYER'S GENERAL ASSETS: Payment of benefits under this Plan shall be made by the Employer from Elective Contributions which shall be held as a part of its general assets.
- 4.06 EMPLOYER MAY HOLD ELECTIVE CONTRIBUTIONS: Pending payment of benefits in accordance with the terms of this Plan, Elective Contributions may be retained by the Employer in a separate account or, if elected by the Employer and as permitted or required by regulations of the Internal Revenue Service, Department of Labor or other governmental agency, such amounts of Elective Contributions may be held in a trust pending payment.
- 4.07 MAXIMUM EMPLOYER CONTRIBUTIONS: With respect to each Participant, the maximum amount made available to pay benefits for any Plan Year shall not exceed the Employer's Contribution specified in the Adoption Agreement and as provided in this Plan.

SECTION V

GROUP MEDICAL INSURANCE BENEFIT PLAN

- 5.01 PURPOSE: These benefits provide the group medical insurance benefits to Participants.
- 5.02 ELIGIBILITY: Eligibility will be as required in Items F(1), F(3), and F(4) of the Adoption Agreement.
- 5.03 DESCRIPTION OF BENEFITS: The benefits available under this Plan will be as defined in Items F(1), F(3), and F(4) of the Adoption Agreement.
- 5.04 TERMS, CONDITIONS AND LIMITATIONS: The terms, conditions and limitations of the benefits offered shall be as specifically described in the Policy identified in the Adoption Agreement.
- 5.05 COBRA: To the extent required by Section 4980B of the Code and Sections 601 through 607 of ERISA, Participants and Dependents shall be entitled to continued participation in this Group Medical Insurance Benefit Plan by contributing monthly (from their personal assets previously subject to taxation) 102% of the amount of the premium for the desired benefit during the period that such individual is entitled to elect continuation coverage, provided, however, in the event the continuation period is extended to 29 months due to disability, the premium to be paid for continuation coverage for the 11 month extension period shall be 150% of the applicable premium.
- 5.06 SECTION 105 AND 106 PLAN: It is the intention of the Employer that these benefits shall be eligible for exclusion from the gross income of the Participants covered by this benefit plan, as provided in Code Sections 105 and 106, and all provisions of this benefit plan shall be construed in a manner consistent with that intention. It is also the intention of the Employer to comply with the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985 as outlined in the policies identified in the Adoption Agreement.

- 5.07 CONTRIBUTIONS: Contributions for these benefits will be provided by the Employer on behalf of a Participant as provided for in Item E of the Adoption Agreement.
- 5.08 UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT: Notwithstanding anything to the contrary herein, the Group Medical Insurance Benefit Plan shall comply with the applicable provisions of the Uniformed Services Employment and Reemployment Rights Act of 1994 (Public Law 103-353).

SECTION VI

DISABILITY INCOME BENEFIT PLAN

- 6.01 PURPOSE: This benefit provides disability insurance designated to provide income to Participants during periods of absence from employment because of disability.
- 6.02 ELIGIBILITY: Eligibility will be as required in Item F(2) of the Adoption Agreement.
- 6.03 DESCRIPTION OF BENEFITS: The benefits available under this Plan will be as defined in Item F(2) of the Adoption Agreement.
- 6.04 TERMS, CONDITIONS AND LIMITATIONS: The terms, conditions and limitations of the Disability Income Benefits offered shall be as specifically described in the Policy identified in the Adoption Agreement.
- 6.05 SECTION 104 AND 106 PLAN: It is the intention of the Employer that the premiums paid for these benefits shall be eligible for exclusion from the gross income of the Participants covered by this benefit plan, as provided in Code Sections 104 and 106, and all provisions of this benefit plan shall be construed in a manner consistent with that intention.
- 6.06 CONTRIBUTIONS: Contributions for this benefit will be provided by the Employer on behalf of a Participant as provided for in Item E of the Adoption Agreement.

SECTION VII

GROUP AND INDIVIDUAL LIFE INSURANCE PLAN

- 7.01 PURPOSE: This benefit provides group life insurance benefits to Participants and may provide certain individual policies as provided for in Item F(5) of the Adoption Agreement.
- 7.02 ELIGIBILITY: Eligibility will be as required in Item F(5) of the Adoption Agreement.
- 7.03 DESCRIPTION OF BENEFITS: The benefits available under this Plan will be as defined in Item F(5) of the Adoption Agreement.
- 7.04 TERMS, CONDITIONS, AND LIMITATIONS: The terms, conditions, and limitations of the group life insurance are specifically described in the Policy identified in the Adoption Agreement.

- 7.05 SECTION 79 PLAN: It is the intention of the Employer that the premiums paid for the benefits described in Item F(5) of the Adoption Agreement shall be eligible for exclusion from the gross income of the Participants covered by this benefit plan to the extent provided in Code Section 79, and all provisions of this benefit plan shall be construed in a manner consistent with that intention.
- 7.06 CONTRIBUTIONS: Contributions for this benefit will be provided by the Employer on behalf of a Participant as provided for in Item E of the Adoption Agreement. Any individual policies purchased by the Employer for the Participant will be owned by the Participant.

SECTION VIII

MEDICAL EXPENSE REIMBURSEMENT PLAN

- 8.01 PURPOSE: The Medical Expense Reimbursement Plan is designed to provide for reimbursement of Eligible Medical Expenses (as defined in Section 8.04) that are not reimbursed under an insurance plan, through damages, or from any other source. It is the intention of the Employer that amounts allocated for this benefit shall be eligible for exclusion from gross income, as provided in Code Sections 105 and 106, for Participants who elect this benefit and all provisions of this Section VIII shall be construed in a manner consistent with that intention.
- 8.02 ELIGIBILITY: The eligibility provisions are set forth in Item F(7) of the Adoption Agreement.
- 8.03 TERMS, CONDITIONS, AND LIMITATIONS:
- (a) Accounts. The Reimbursement Recordkeeper shall establish a recordkeeping account for each Participant. The Reimbursement Recordkeeper shall maintain a record of each account on an on-going basis, increasing the balances as contributions are credited during the year and decreasing the balances as Eligible Medical Expenses are reimbursed. No interest shall be payable on amounts recorded in any Participant's account.
 - (b) Maximum benefit. The maximum amount of reimbursement for each Participant shall be limited to the amount of the Participant's Elective Contribution allocated to the program during the Plan Year, not to exceed the maximum amount set forth in Item F(7) of the Adoption Agreement.
 - (c) Claim Procedure. In order to be reimbursed for any medical expenses incurred during the Plan Year, the Participant shall complete the form(s) provided for such purpose by the Reimbursement Recordkeeper. The Participant shall submit the completed form to the Reimbursement Recordkeeper with an original bill or other proof of the expense acceptable to the Reimbursement Recordkeeper. No reimbursement shall be made on the basis of an incomplete form or inadequate evidence of expense as determined by the Reimbursement Recordkeeper. Forms for reimbursement of Eligible Medical Expenses must be submitted no later than the ninetieth (90th) day following the last day of the Plan Year during which the Eligible Medical Expenses were incurred. Reimbursement payments shall only be made to the Participant, or the Participant's legal representative in the event of incapacity or death of the Participant. Forms for reimbursement shall be reviewed in accordance with the claims procedure set forth in Section XII.
 - (d) Funding. The funding of the Medical Reimbursement Plan shall be through contributions by the Employer from its general assets to the extent of Elective Contributions directed by Participants.

Such contributions shall be made by the Employer when benefit payments and account administrative expenses become due and payable under this Medical Expense Reimbursement Plan.

- (e) Forfeiture. Any amounts remaining to the credit of the Participant at the end of the Plan Year and not used for Eligible Medical Expenses incurred during the Participant's participation during the Plan Year shall be forfeited and shall remain assets of the Plan. With respect to a Participant who terminates employment with the Employer and who has not elected to continue coverage under this Plan pursuant to COBRA rights referenced under Section 8.03(f) herein, such Participant shall not be entitled to reimbursement for Eligible Medical Expenses incurred after his termination date regardless if such Participant has any amounts of Employer Contributions remaining to his credit. Upon the death of any Participant who has any amounts of Employer Contributions remaining to his credit, a dependent of the Participant may elect to continue to claim reimbursement for Eligible Medical Expenses in the same manner as the Participant could have for the balance of the Plan Year.
- (f) COBRA. To the extent required by Section 4980B of the Code and Sections 601 through 607 of ERISA ("COBRA"), a Participant and a Participant's Dependents shall be entitled to elect continued participation in this Medical Expense Reimbursement Plan only through the end of the plan year in which the qualifying event occurs, by contributing monthly (from their personal assets previously subject to taxation) to the Employer/Administrator, 102% of the amount of desired reimbursement through the end of the Plan Year in which the qualifying event occurs. Specifically, such individuals will be eligible for COBRA continuation coverage only if they have a positive Medical Expense Reimbursement Account balance on the date of the qualifying event. Participants who have a deficit balance in their Medical Expense Reimbursement Account on the date of their qualifying event shall not be entitled to elect COBRA coverage. In lieu of COBRA, Participants may continue their coverage through the end of the current Plan Year by paying those premiums out of their last paycheck on a pre-tax basis.
- (g) Nondiscrimination. Benefits provided under this Medical Expense Reimbursement Plan shall not be provided in a manner that discriminates in favor of Employees or Dependents who are highly compensated individuals, as provided under Section 105(h) of the Code and regulations promulgated thereunder.
- (h) Uniform Coverage Rule. Notwithstanding that a Participant has not had withheld and credited to his account all of his contributions elected with respect to a particular Plan Year, the entire aggregate annual amount elected with respect to this Medical Expense Reimbursement Plan, shall be available at all times during such Plan Year to reimburse the participant for Eligible Medical Expenses with respect to this Medical Expense Reimbursement Plan. To the extent contributions with respect to this Medical Expense Reimbursement Plan are insufficient to pay such Eligible Medical Expenses, it shall be the Employer's obligation to provide adequate funds to cover any short fall for such Eligible Medical Expenses for a Participant; provided subsequent contributions with respect to this Medical Expense Reimbursement Plan by the Participant shall be available to reimburse the Employer for funds advanced to cover a previous short fall.
- (i) Uniformed Services Employment and Reemployment Rights Act. Notwithstanding anything to the contrary herein, this Medical Expense Reimbursement Plan shall comply with the applicable provisions of the Uniformed Services Employment and Reemployment Rights Act of 1994 (Public Law 103-353).

- (j) Proration of Limit. In the event that the Employer has purchased a uniform coverage risk policy from the Recordkeeper, then the Maximum Coverage amount specified in Section F.7 of the Adoption Agreement shall be pro rated with respect to (i) an Employee who becomes a Participant and enters the Plan during the Plan Year, and (ii) short plan years initiated by the Employer. Such Maximum Coverage amount will be pro rated by dividing the annual Maximum Coverage amount by 12, and multiplying the quotient by the number of remaining months in the Plan Year for the new Participant or the number of months in the short Plan Year, as applicable.
- (k) Continuation Coverage for Certain Dependent Children. In the event that benefits under the Medical Expense Reimbursement Plan does not qualify for the exception from the portability rules of HIPAA, then, effective for Plan Years beginning on or after October 9, 2009, notwithstanding the foregoing provisions, coverage for a Dependent child who is enrolled in the Medical Expense Reimbursement Plan as a student at a post-secondary educational institution will not terminate due to a medically necessary leave of absence before a date that is the earlier of:

- the date that is one year after the first day of the medically necessary leave of absence; or
- the date on which such coverage would otherwise terminate under the terms of the Plan.

For purposes of this paragraph, “medically necessary leave of absence” means a leave of absence of the child from a post-secondary educational institution, or any other change in enrollment of the child at the institution, that: (i) commences while the child is suffering from a serious illness or injury; (ii) is medically necessary; and (iii) causes the child to lose student status for purposes of coverage under the terms of the Plan. A written certification must be provided by a treating physician of the dependent child to the Plan in order for the continuation coverage requirement to apply. The physician’s certification must state that the child is suffering from a serious illness or injury and that the leave of absence (or other change in enrollment) is medically necessary.

8.04 ELIGIBLE MEDICAL EXPENSES:

- (a) (a) Eligible Medical Expense in General. The phrase ‘Eligible Medical Expense’ means any expense incurred by a Participant or any of his Dependents (subject to the restrictions in Sections 8.04(b) and (c)) during a Plan Year that (i) qualifies as an expense incurred by the Participant or Dependents for medical care as defined in Code Section 213(d) and meets the requirements outlined in Code Section 125, (ii) is excluded from gross income of the Participant under Code Section 105(b), and (iii) has not been and will not be paid or reimbursed by any other insurance plan, through damages, or from any other source. Notwithstanding the above, capital expenditures are not Eligible Medical Expenses under this Plan. Further, notwithstanding the above, effective January 1, 2011, only the following drugs or medicines will constitute Eligible Medical Expenses:
- (i.) Drugs or medicines that require a prescription;
 - (ii.) Drugs or medicines that are available without a prescription (“over-the-counter drugs or medicines”) and the Participant or Dependent obtains a prescription; and
 - (iii.) Insulin.
- (b) Expenses Incurred After Commencement of Participation. Only medical care expenses incurred by a Participant or the Participant’s Dependent(s) on or after the date such Participant commenced

participation in the Medical Expense Reimbursement Plan shall constitute an Eligible Medical Expense.

- (c) Eligible Expenses Incurred by Dependents. For purposes of this Section, Eligible Medical Expenses incurred by Dependents defined in Section 2.04(c) are eligible for reimbursement if incurred after March 30, 2010; Eligible Medical Expenses incurred by Dependents defined in Sections 2.04(a) and (b) are eligible for reimbursement if incurred either before or after March 30, 2010 (subject to the restrictions of Section 8.04(b)).
- (d) Health Savings Accounts. If the Employer has elected in Item F.8 of the Adoption Agreement to allow Eligible Employees to contribute to Health Savings Accounts under the Plan, then for a Participant who is eligible for and elects to contribute to a Health Savings Accounts, Eligible Medical Expenses shall be limited as set forth in Item F.8 of the Adoption Agreement.

8.05 USE OF DEBIT CARD: In the event that the Employer elects to allow the use of debit cards ("Debit Cards") for reimbursement of Eligible Medical Expenses (other than over-the-counter drugs or medicines) under the Medical Expense Reimbursement Plan, the provisions described in this Section shall apply. However, beginning January 1, 2011, a Debit Card may not be used to purchase drugs or medicines over-the-counter.

- (a) Substantiation. The following procedures shall be applied for purposes of substantiating claimed Eligible Medical Expenses after the use of a Debit Card to pay the claimed Eligible Medical Expense:
 - (i) If the dollar amount of the transaction at a health care provider equals the dollar amount of the co-payment for that service under the Employer's major medical plan of the specific employee-cardholder, the charge is fully substantiated without the need for submission of a receipt or further review.
 - (ii) If the merchant, service provider, or other independent third-party (e.g., pharmacy benefit manager), at the time and point of sale, provides information to verify to the Recordkeeper (including electronically by e-mail, the internet, intranet, or telephone) that the charge is for a medical expense, the charge is fully substantiated without the need for submission of a receipt or further review.
- (b) Status of Charges. All charges to a Debit Card, other than co-payments and real-time substantiation as described in Subsection (a) above, are treated as conditional pending confirmation of the charge, and additional third-party information, such as merchant or service provider receipts, describing the service or product, the date of the service or sale, and the amount, must be submitted for review and substantiation.
- (c) Correction Procedures for Improper Payments. In the event that a claim has been reimbursed and is subsequently identified as not qualifying for reimbursement, one or all of the following procedures shall apply:
 - (i) First, upon the Recordkeeper's identification of the improper payment, the Eligible Employee will be required to pay back to the Plan an amount equal to the improper payment.

- (ii) Second, where the Eligible Employee does not pay back to the Plan the amount of the improper payment, the Employer will have the amount of the improper payment withheld from the Eligible Employee's wages or other compensation to the extent consistent with applicable law.
 - (iii) Third, if the improper payment still remains outstanding, the Plan may utilize a claim substitution or offset approach to resolve improper claims payments.
 - (iv) If the above correction efforts prove unsuccessful, or are otherwise unavailable, the Eligible Employee will remain indebted to the Employer for the amount of the improper payment. In that event and consistent with its business practices, the Employer may treat the payment as it would any other business indebtedness.
 - (v) In addition to the above, the Employer and the Plan may take other actions they may deem necessary, in their sole discretion, to ensure that further violations of the terms of the Debit Card do not occur, including, but not limited to, denial of access to the Debit Card until the indebtedness is repaid by the Eligible Employee.
- (d) Intent to Comply with Rev. Rul. 2003-43. It is the Employer's intent that any use of Debit Cards to pay Eligible Medical Expenses shall comply with the guidelines for use of such cards set forth in Rev. Rul. 2003-43, and this Section 8.05 shall be construed and interpreted in a manner necessary to comply with such guidelines.

8.06 GRACE PERIOD: If the Employer elects in Section F.7 of the Adoption Agreement to permit a Grace Period with respect to the Medical Reimbursement Plan, the provisions of this Section 8.06 shall apply. Notwithstanding anything to the contrary herein and in accordance with Internal Revenue Service Notice 2005-42, a Participant who has unused contributions relating to the Medical Reimbursement Plan from the immediately preceding Plan Year, and who incurs Eligible Medical Expenses for such qualified benefit during the Grace Period, may be paid or reimbursed for those Eligible Medical Expenses from the unused contributions as if the expenses had been incurred in the immediately preceding Plan Year. For purposes of this Section, 'Grace Period' shall mean the period extending to the 15th day of the third calendar month after the end of the immediately preceding Plan Year to which it relates. Eligible Medical Expenses incurred during the Grace Period shall be reimbursed first from unused contributions allocated to the Medical Reimbursement Plan for the prior Plan Year, and then from unused contributions for the current Plan Year, if participant is enrolled in current Plan Year.

8.07 QUALIFIED RESERVIST DISTRIBUTIONS: Notwithstanding anything in the Plan to the contrary, an individual who, by reason of being a member of a reserve component (as defined in 37 U.S.C. § 101), is ordered or called to active duty for a period in excess of 179 days or for an indefinite period may elect to receive a distribution of all or a portion of the unused Elective Contributions in his or her Account relating to the Medical Expense Reimbursement Plan if the distribution is made during the period beginning on the date of such order or call and ending on the last date that reimbursements could otherwise be made under the Plan for the Plan Year that includes the date of such order or call. If the distribution is for the entire amount of unused Elective Contributions available in the Medical Expense Reimbursement Plan, then no additional reimbursement requests will be processed for the remainder of the Plan Year.

SECTION IX

DEPENDENT CARE REIMBURSEMENT PLAN

- 9.01 PURPOSE: The Dependent Care Reimbursement Plan is designed to provide for reimbursement of certain employment-related dependent care expenses of the Participant. It is the intention of the Employer that amounts allocated for this benefit shall be eligible for exclusion from gross income, as provided in Code Section 129, for Participants who elect this benefit, and all provisions of this Section IX shall be construed in a manner consistent with that intention.
- 9.02 ELIGIBILITY: The eligibility provisions are set forth in Item F(6) of the Adoption Agreement.
- 9.03 TERMS, CONDITIONS, AND LIMITATIONS:
- (a) Accounts. The Reimbursement Recordkeeper shall establish a recordkeeping account for each Participant. The Reimbursement Recordkeeper shall maintain a record of each account on an on-going basis, increasing the balances as contributions are credited during the year and decreasing the balances as Eligible Dependent Care Expenses are reimbursed. No interest shall be payable on amounts recorded in any Participant's account.
 - (b) Maximum Benefit. The maximum amount of reimbursement for each Participant shall be limited to the amount of the Participant's allocation to the program during the Plan Year not to exceed the maximum amount set forth in Item F(6) of the adoption agreement.
 - (c) For purpose of this Section IX, the phrase "earned income" shall mean wages, salaries, tips and other employee compensation, but only if such amounts are includible in gross income for the taxable year. A Participant's spouse who is physically or mentally incapable of self-care as described in Section 9.04(a)(ii) or a spouse who is a full-time student within the meaning of Code Section 21(e)(7) shall be deemed to have earned income for each month in which such spouse is so disabled (or a full-time student). The amount of such deemed earned income shall be \$250 per month in the case of one Dependent and \$500 per month in the case of two or more Dependents.
 - (d) Claim Procedure. In order to be reimbursed for any dependent care expenses incurred during the Plan Year, the Participant shall complete the form(s) provided for such purpose by the Reimbursement Recordkeeper. The Participant shall submit the completed form to the Reimbursement Recordkeeper with an original bill or other proof of the expense from an independent third party acceptable to the Reimbursement Recordkeeper. No reimbursement shall be made on the basis of an incomplete form or inadequate evidence of the expense as determined by the Reimbursement Recordkeeper. Claims for reimbursement of Eligible Dependent Care Expenses must be submitted no later than the ninetieth (90th) day following the last day of the Plan Year during which the Eligible Dependent Care Expenses were incurred. Reimbursement payments shall only be made to the Participant, or the Participant's legal representative in the event of the incapacity or death of the Participant. Forms for reimbursement shall be reviewed in accordance with the claims procedure set forth in Section XII.
 - (e) Funding. The funding of the Dependent Care Reimbursement Plan shall be through contributions by the Employer from its general assets to the extent of Elective Contributions directed by Participants. Such contributions shall be made by the Employer when benefit payments and account administration expenses become due and payable under this Dependent Care Expense Reimbursement Plan.

- (f) Forfeiture. Any amounts remaining to the credit of the Participant at the end of the Plan Year and not used for Eligible Dependent Care Expenses incurred during the Plan Year shall be forfeited and remain assets of the Plan.
- (g) Nondiscrimination. Benefits provided under this Dependent Care Reimbursement Plan shall not be provided in a manner that discriminates in favor of Highly Compensated Employees (as defined in Code Section 414(q)) or their dependents, as provided in Code Section 129. In addition, no more than 25 percent of the aggregate Eligible Dependent Care Expenses shall be reimbursed during a Plan Year to five percent owners, as provided in Code Section 129.

9.04 DEFINITIONS:

- (a) "Dependent" (for purposes of this Section IX) means any individual who is:
 - (i) a Participant's qualifying child (as defined in Code Section 152 (c)) who has not attained the age of 13; or
 - (ii) a dependent (qualifying child or qualifying relative, as defined in Code Section 152 (c) and (d), respectively) or the spouse of a Participant who is physically or mentally incapable of self-care, and who has the same principal place of abode as the taxpayer for more than half of the taxable year. For purposes of this Dependent Care Reimbursement Plan, an individual shall be considered physically or mentally incapable of self-care if, as a result of a physical or mental defect, the individual is incapable of caring for his or her hygienic or nutritional needs, or requires full-time attention of another person for his or her own safety or the safety of others.
- (b) "Dependent Care Center" (for purposes of this Section IX) shall be a facility which:
 - (i) provides care for more than six individuals (other than individuals who reside at the facility);
 - (ii) receives a fee, payment, or grant for providing services for any of the individuals (regardless of whether such facility is operated for profit); and
 - (iii) satisfies all applicable laws and regulations of a state or unit of local government.
- (c) "Eligible Dependent Care Expenses" (for purposes of this Section IX) shall mean expenses incurred by a Participant which are:
 - (i) incurred for the care of a Dependent of the Participant or for related household services;
 - (ii) paid or payable to a Dependent Care Service Provider; and
 - (iii) incurred to enable the Participant to be gainfully employed for any period for which there are one or more Dependents with respect to the Participant.

"Eligible Dependent Care Expenses" shall not include expenses incurred for services outside the Participant's household for the care of a Dependent unless such Dependent is (i) a qualifying child (as defined in Code Section 152 (c)) under the age of 13, or (ii) a dependent (qualifying child or qualifying relative, as defined in Code Section 152 (c) and (d), respectively)), who is physically or mentally incapable of self-care, and who has the same principal place of abode as the Participant for more than half of the taxable year, or (iii) the spouse of a Participant who is physically or mentally incapable of self-care, and who has the same principal place of abode as

the Participant for more than half of the taxable year. Eligible Dependent Care Expenses shall be deemed to be incurred at the time the services to which the expenses relate are rendered.

(d) "Dependent Care Service Provider" (for purposes of this Section IX) means:

- (i) a Dependent Care Center, or
- (ii) a person who provides care or other services described in Section 9.04(b) and who is not a related individual described in Section 129(c) of the Code.

SECTION X

HEALTH SAVINGS ACCOUNTS

10.01 PURPOSE: If elected by the Employer in Section F.8 of the Adoption Agreement, the Plan will permit pre-tax contributions to the Health Savings Account, and the provisions of this Article X shall apply.

10.02 BENEFITS: A Participant can elect benefits under the Health Savings Accounts portion of this Plan by electing to pay his or her Health Savings Account contributions on a pre-tax salary reduction basis. In addition, the Employer may make contributions to the Health Savings Account for the benefit of the Participant.

10.03 TERMS, CONDITIONS AND LIMITATION:

- (a) Maximum Benefit. The maximum annual contributions that may be made to a Participant's Health Savings Account under this Plan is set forth in Section F.8 of the Adoption Agreement.
- (b) Mid-Year Election Changes. Notwithstanding any to the contrary herein, a Participant election with respect to contributions for the Health Savings Account shall be revocable during the duration of the Plan Year to which the election relates. Consequently, a Participant may change his or her election with respect to contributions for the Health Savings Account at any time.

10.04 RESTRICTIONS ON MEDICAL REIMBURSEMENT PLAN: If the Employer has elected in Section F.8 of the Adoption Agreement both Health Savings Accounts under this Plan and the Medical Expense Reimbursement Plan, then the Eligible Medical Expenses that may be reimbursed under the Medical Reimbursement Plan for Participants who are eligible for and elect to participate in Health Savings Accounts shall be limited as set forth in Section F.8 of the Adoption Agreement.

10.05 NO ESTABLISHMENT OF ERISA PLAN: It is the intent of the Employer that the establishment of Health Savings Accounts are completely voluntary on the part of Participants, and that, in accordance with Department of Labor Field Assistance Bulletin 2004-1, the Health Savings Accounts are not "employee welfare benefit plans" for purposes of Title I of ERISA.

SECTION XI

AMENDMENT AND TERMINATION

- 11.01 AMENDMENT: The Employer shall have the right at any time, and from time to time, to amend, in whole or in part, any or all of the provisions of this Plan, provided that no such amendment shall change the terms and conditions of payment of any benefits to which Participants and covered dependents otherwise have become entitled to under the provisions of the Plan, unless such amendment is made to comply with federal or local laws or regulations. The Employer also shall have the right to make any amendment retroactively which is necessary to bring the Plan into conformity with the Code. In addition, the Employer may amend any provisions or any supplements to the Plan and may merge or combine supplements or add additional supplements to the Plan, or separate existing supplements into an additional number of supplements.
- 11.02 TERMINATION: The Employer shall have the right at any time to terminate this Plan, provided that such termination shall not eliminate any obligations of the Employer which therefore have arisen under the Plan.

SECTION XII

ADMINISTRATION

- 12.01 NAMED FIDUCIARIES: The Administrator shall be the fiduciary of the Plan.
- 12.02 APPOINTMENT OF RECORDKEEPER: The Employer may appoint a Reimbursement Recordkeeper which shall have the power and responsibility of performing recordkeeping and other ministerial duties arising under the Medical Expense Reimbursement Plan and the Dependent Care Reimbursement Plan provisions of this Plan. The Reimbursement Recordkeeper shall serve at the pleasure of, and may be removed by, the Employer without cause. The Recordkeeper shall receive reasonable compensation for its services as shall be agreed upon from time to time between the Administrator and the Recordkeeper.
- 12.03 POWERS AND RESPONSIBILITIES OF ADMINISTRATOR:
- (a) General. The Administrator shall be vested with all powers and authority necessary in order to amend and administer the Plan, and is authorized to make such rules and regulations as it may deem necessary to carry out the provisions of the Plan. The Administrator shall determine any questions arising in the administration (including all questions of eligibility and determination of amount, time and manner of payments of benefits), construction, interpretation and application of the Plan, and the decision of the Administrator shall be final and binding on all persons.
 - (b) Recordkeeping. The Administrator shall keep full and complete records of the administration of the Plan. The Administrator shall prepare such reports and such information concerning the Plan and the administration thereof by the Administrator as may be required under the Code or ERISA and the regulations promulgated thereunder.
 - (c) Inspection of Records. The Administrator shall, during normal business hours, make available to each Participant for examination by the Participant at the principal office of the Administrator a copy of the Plan and such records of the Administrator as may pertain to such Participant. No Participant shall have the right to inquire as to or inspect the accounts or records with respect to other Participants.
- 12.04 COMPENSATION AND EXPENSES OF ADMINISTRATOR: The Administrator shall serve without compensation for services as such. All expenses of the Administrator shall be paid by the Employer.

Such expenses shall include any expense incident to the functioning of the Plan, including, but not limited to, attorneys' fees, accounting and clerical charges, actuary fees and other costs of administering the Plan.

- 12.05 LIABILITY OF ADMINISTRATOR: Except as prohibited by law, the Administrator shall not be liable personally for any loss or damage or depreciation which may result in connection with the exercise of duties or of discretion hereunder or upon any other act or omission hereunder except when due to willful misconduct. In the event the Administrator is not covered by fiduciary liability insurance or similar insurance arrangements, the Employer shall indemnify and hold harmless the Administrator from any and all claims, losses, damages, expenses (including reasonable counsel fees approved by the Administrator) and liability (including any reasonable amounts paid in settlement with the Employer's approval) arising from any act or omission of the Administrator, except when the same is determined to be due to the willful misconduct of the Administrator by a court of competent jurisdiction.
- 12.06 DELEGATIONS OF RESPONSIBILITY: The Administrator shall have the authority to delegate, from time to time, all or any part of its responsibilities under the Plan to such person or persons as it may deem advisable and in the same manner to revoke any such delegation of responsibilities which shall have the same force and effect for all purposes hereunder as if such action had been taken by the Administrator. The Administrator shall not be liable for any acts or omissions of any such delegate. The delegate shall report periodically to the Administrator concerning the discharge of the delegated responsibilities.
- 12.07 RIGHT TO RECEIVE AND RELEASE NECESSARY INFORMATION: The Administrator may release or obtain any information necessary for the application, implementation and determination of this Plan or other Plans without consent or notice to any person. This information may be released to or obtained from any insurance company, organization, or person subject to applicable law. Any individual claiming benefits under this Plan shall furnish to the Administrator such information as may be necessary to implement this provision.
- 12.08 CLAIM FOR BENEFITS: To obtain payment of any benefits under the Plan a Participant must comply with the rules and procedures of the particular benefit program elected pursuant to this Plan under which the Participant claims a benefit.
- 12.09 GENERAL CLAIMS REVIEW PROCEDURE: This provision shall apply only to the extent that a claim for benefits is not governed by a similar provision of a benefit program available under this Plan or is not governed by Section 12.10.
- (a) Initial Claim for Benefits. Each Participant may submit a claim for benefits to the Administrator as provided in Section 12.08. A Participant shall have no right to seek review of a denial of benefits, or to bring any action in any court to enforce a claim for benefits prior to his filing a claim for benefits and exhausting his rights to review under this section.

When a claim for benefits has been filed properly, such claim for benefits shall be evaluated and the claimant shall be notified of the approval or the denial within (90) days after the receipt of such claim unless special circumstances require an extension of time for processing the claim. If such an extension of time for processing is required, written notice of the extension shall be furnished to the claimant prior to the termination of the initial ninety (90) day period which shall specify the special circumstances requiring an extension and the date by which a final decision will be reached (which date shall not be later than one hundred and eighty (180) days after the date on which the claim was

filed.) A claimant shall be given a written notice in which the claimant shall be advised as to whether the claim is granted or denied, in whole or in part. If a claim is denied, in whole or in part, the claimant shall be given written notice which shall contain (a) the specific reasons for the denial, (b) references to pertinent plan provisions upon which the denial is based, (c) a description of any additional material or information necessary to perfect the claim and an explanation of why such material or information is necessary, and (d) the claimant's rights to seek review of the denial.

- (b) Review of Claim Denial. If a claim is denied, in whole or in part, the claimant shall have the right to request that the Administrator review the denial, provided that the claimant files a written request for review with the Administrator within sixty (60) days after the date on which the claimant received written notification of the denial. A claimant (or his duly authorized representative) may review pertinent documents and submit issues and comments in writing to the Administrator. Within sixty (60) days after a request is received, the review shall be made and the claimant shall be advised in writing of the decision on review, unless special circumstances require an extension of time for processing the review, in which case the claimant shall be given a written notification within such initial sixty (60) day period specifying the reasons for the extension and when such review shall be completed (provided that such review shall be completed within one hundred and twenty (120) days after the date on which the request for review was filed.) The decision on review shall be forwarded to the claimant in writing and shall include specific reasons for the decision and references to plan provisions upon which the decision is based. A decision on review shall be final and binding on all persons.
- (c) Exhaustion of Remedies. If a claimant fails to file a request for review in accordance with the procedures herein outlined, such claimant shall have no rights to review and shall have no right to bring action in any court and the denial of the claim shall become final and binding on all persons for all purposes.

12.10 SPECIAL CLAIMS REVIEW PROCEDURE: The provisions of this Section 12.10 shall be applicable to claims under the Group Medical Reimbursement Plan and the Group Medical Insurance Plan, effective on the first day of the first Plan Year beginning on or after July 1, 2002, but in no event later than January 1, 2003, provided such plans are subject to ERISA.

- (a) Benefit Denials: The Administrator is responsible for evaluating all claims for reimbursement under the Medical Expense Reimbursement Plan and the Group Medical Insurance Plan.

The Administrator will decide a Participant's claim within a reasonable time not longer than 30 days after it is received. This time period may be extended for an additional 15 days for matters beyond the control of the Administrator, including in cases where a claim is incomplete. The Participant will receive written notice of any extension, including the reasons for the extension and information on the date by which a decision by the Administrator is expected to be made. The Participant will be given 45 days in which to complete an incomplete claim. The Administrator may secure independent medical or other advice and require such other evidence as it deems necessary to decide the claim.

If the Administrator denies the claim, in whole or in part, the Participant will be furnished with a written notice of adverse benefit determination setting forth:

1. the specific reason or reasons for the denial;

2. reference to the specific Plan provision on which the denial is issued;
3. a description of any additional material or information necessary for the Participant to complete his claim and an explanation of why such material or information is necessary, and
4. appropriate information as to the steps to be taken if the Participant wishes to appeal the Administrator's determination, including the participant's right to submit written comments and have them considered, his right to review (on request and at no charge) relevant documents and other information, and his right to file suit under ERISA with respect to any adverse determination after appeal of his claim.

(b) Appealing Denied Claims: If the Participant's claim is denied in whole or in part, he may appeal to the Administrator for a review of the denied claim. The appeal must be made in writing within 180 days of the Administrator's initial notice of adverse benefit determination, or else the participant will lose the right to appeal the denial. If the Participant does not appeal on time, he will also lose his right to file suit in court, as he will have failed to exhaust his internal administrative appeal rights, which is generally a prerequisite to bringing suit.

A Participant's written appeal should state the reasons that he feels his claim should not have been denied. It should include any additional facts and/or documents that the Participant feels support his claim. The Participant may also ask additional questions and make written comments, and may review (on request and at no charge) documents and other information relevant to his appeal. The Administrator will review all written comment the Participant submits with his appeal.

(c) Review of Appeal: The Administrator will review and decide the Participant's appeal within a reasonable time not longer than 60 days after it is submitted and will notify the Participant of its decision in writing. The individual who decides the appeal will not be the same individual who decided the initial claim denial and will not be that individual's subordinate. The Administrator may secure independent medical or other advice and require such other evidence as it deems necessary to decide the appeal, except that any medical expert consulted in connection with the appeal will be different from any expert consulted in connection with the initial claim. (The identity of a medical expert consulted in connection with the Participant's appeal will be provided.) If the decision on appeal affirms the initial denial of the Participant's claim, the Participant will be furnished with a notice of adverse benefit determination on review setting forth:

1. The specific reason(s) for the denial,
2. The specific Plan provision(s) on which the decision is based,
3. A statement of the Participant's right to review (on request and at no charge) relevant documents and other information,
4. If the Administrator relied on an "internal rule, guideline, protocol, or other similar criterion" in making the decision, a description of the specific rule, guideline, protocol, or other similar criterion or a statement that such a rule, guideline, protocol, or other similar criterion was relied on and that a copy of such rule, guideline, protocol, or other criterion will be provided free of charge to the Participant upon request," and

5. A statement of the Participant's right to bring suit under ERISA § 502(a).

12.11 PAYMENT TO REPRESENTATIVE: In the event that a guardian, conservator or other legal representative has been duly appointed for a Participant entitled to any payment under the Plan, any such payment due may be made to the legal representative making claim therefor, and such payment so made shall be in complete discharge of the liabilities of the Plan therefor and the obligations of the Administrator and the Employer.

12.12 PROTECTED HEALTH INFORMATION. The provisions of this Section will apply only to those portions of the Plan that are considered a group health plan for purposes of 45 CFR Parts 160 and 164. The Plan may disclose PHI to employees of the Employer, or to other persons, only to the extent such disclosure is required or permitted pursuant to 45 CFR Parts 160 and 164. The Plan has implemented administrative, physical, and technical safeguards to reasonably and appropriately protect, and restrict access to and use of, electronic PHI, in accordance with Subpart C of 45 CFR Part 164. The applicable claims procedures under the Plan shall be used to resolve any issues of non-compliance by such individuals. The Employer will:

- not use or disclose PHI other than as permitted or required by the plan documents and permitted or required by law;
- reasonably and appropriately safeguard electronic PHI created, received, maintained, or transmitted to or by it on behalf of the Plan, in accordance with Subpart C of 45 CFR Part 164;
- implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic PHI that it creates, receives, maintains, or transmits on behalf of the Plan;
- ensure that any agents including a subcontractors to whom it provides PHI received from the Plan agree to the same restrictions and conditions that apply to the Employer with respect to such information;
- not use or disclose PHI for employment-related actions and decisions or in connection with any other employee benefit plan of the Employer;
- report to the Plan any use or disclosure of the information that is inconsistent with the permitted uses or disclosures provided for of which it becomes aware;
- make available PHI in accordance with 45 CFR Section 164.524;
- make available PHI for amendment and incorporate any amendments to PHI in accordance with 45 CFR Section 164.526;
- make available the information required to provide an accounting of disclosures in accordance with 45 CFR Section 164.528;
- make its internal practices, books, and records relating to the use and disclosure of PHI received from the Plan available to the Secretary of Health and Human Services or his designee upon request for purposes of determining compliance with 45 CFR Section 164.504(f);
- if feasible, return or destroy all PHI received from the Plan that the Employer still maintains in any form and retain no copies of such information when no longer needed for the purposes for which the disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible; and,

- ensure that the adequate separation required in paragraph (f)(2)(iii) of 45 CFR Section 164.504 is established.

For purposes of this Section, "PHI" is "Protected Health Information" as defined in 45 CFR Section 160.103, which means individually identifiable health information, except as provided in paragraph (2) of the definition of "Protected Health Information" in 45 CFR Section 160.103, that is transmitted by electronic media; maintained in electronic media; or transmitted or maintained in any other form or medium by a covered entity, as defined in 45 CFR Section 164.104.

SECTION XIII

MISCELLANEOUS PROVISIONS

- 13.01 INABILITY TO LOCATE PAYEE: If the Plan Administrator is unable to make payment to any Participant or other person to whom a payment is due under the Plan because it cannot ascertain the identity or whereabouts of such Participant or other person after reasonable efforts have been made to identify or locate such person, then such payment and all subsequent payments otherwise due to such Participant or other person shall be forfeited following a reasonable time after the date any such payment first became due.
- 13.02 FORMS AND PROOFS: Each Participant or Participant's Beneficiary eligible to receive any benefit hereunder shall complete such forms and furnish such proofs, receipts, and releases as shall be required by the Administrator.
- 13.03 NO GUARANTEE OF TAX CONSEQUENCES: Neither the Administrator nor the Company makes any commitment or guarantee that any amounts paid to or for the benefit of a Participant or a Dependent under the Plan will be excludable from the Participant's or Dependent's gross income for federal or state income tax purposes, or that any other federal or state tax treatment will apply to or be available to any Participant or Dependent.
- 13.04 PLAN NOT CONTRACT OF EMPLOYMENT: The Plan will not be deemed to constitute a contract of employment between the Employer and any Participant nor will the Plan be considered an inducement for the employment of any Participant or employee. Nothing contained in the Plan will be deemed to give any Participant or employee the right to be retained in the service of the Employer nor to interfere with the right of the Employer to discharge any Participant or employee at any time regardless of the effect such discharge may have upon that individual as a Participant in the Plan.
- 13.05 NON-ASSIGNABILITY: No benefit under the Plan shall be liable for any debt, liability, contract, engagement or tort of any Participant or his Beneficiary, nor be subject to charge, anticipation, sale, assignment, transfer, encumbrance, pledge, attachment, garnishment, execution or other voluntary or involuntary alienation or other legal or equitable process, nor transferability by operation of law.
- 13.06 SEVERABILITY: If any provision of the Plan will be held by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions hereof will continue to be fully effective.
- 13.07 CONSTRUCTION:

- (a) Words used herein in the masculine or feminine gender shall be construed as the feminine or masculine gender, respectively where appropriate.
- (b) Words used herein in the singular or plural shall be construed as the plural or singular, respectively, where appropriate.

- 13.08 NONDISCRIMINATION: In accordance with Code Section 125(b)(1), (2), and (3), this Plan is intended not to discriminate in favor of Highly Compensated Participants (as defined in Code Section 125(e)(1)) as to contributions and benefits nor to provide more than 25% of all qualified benefits to Key Employees. If, in the judgment of the Administrator, more than 25% of the total nontaxable benefits are provided to Key Employees, or the Plan discriminates in any other manner (or is at risk of possible discrimination), then, notwithstanding any other provision contained herein to the contrary, and, in accordance with the applicable provisions of the Code, the Administrator shall, after written notification to affected Participants, reduce or adjust such contributions and benefits under the Plan as shall be necessary to insure that, in the judgment of the Administrator, the Plan shall not be discriminatory.
- 13.09 ERISA. The Plan shall be construed, enforced, and administered and the validity determined in accordance with the applicable provisions of the Employee Retirement Income Security Act of 1974 (as amended), the Internal Revenue Code of 1986 (as amended), and the laws of the State indicated in the Adoption Agreement. Notwithstanding anything to the contrary herein, the provisions of ERISA will not apply to this Plan if the Plan is exempt from coverage under ERISA. Should any provisions be determined to be void, invalid, or unenforceable by any court of competent jurisdiction, the Plan will continue to operate, and for purposes of the jurisdiction of the court only will be deemed not to include the provision determined to be void.

PD 0511

STATEMENT OF TERMS AND CONDITIONS

**FLEX SPENDING ACCOUNT RECORDKEEPING
BY
AMERICAN FIDELITY ASSURANCE COMPANY**

CITY OF MCALESTER

RKA0111

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PREAMBLE

This Statement of Terms and Conditions of Flex Spending Account Recordkeeping will be effective as of the date of the first remittance of flexible spending account contributions for the Plan Sponsor/Employer's (the "Employer") plan, and covers the services provided by American Fidelity Assurance Company (the "Recordkeeper") for the Employer's Section 125 Flexible Benefit Plan (the "Plan").

ARTICLE I

DEFINITIONS

Capitalized terms used herein and not otherwise defined herein shall have the same meaning as set forth in the Plan. The masculine gender shall include both sexes; the singular shall include plural and the plural the singular, unless the context otherwise requires.

1.01 "Account" shall mean the account established by the Recordkeeper on behalf of the Employer from which benefits are to be paid in accordance with the terms of the Plan and this Statement of Terms and Conditions.

1.02 "Plan Administrator" shall mean the Employer or its appointed delegate, which includes the person, persons or group appointed to act as Administrator under the Plan.

1.03 "Terms" shall mean this Statement of Terms and Conditions of the Flex Spending Account Recordkeeping, as set forth herein, with any and all further supplements and amendments thereto, which supplements and amendments shall be effective as to Employer upon written notice to Employer.

1.04 "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, and successor tax laws.

1.05 "Employer" shall mean the Plan Sponsor/Employer and its successors.

1.06 "Participant" shall mean an Employee of an Employer who participates in the Plan under the participation provisions thereof. For purposes of the medical expense reimbursement account, "Participant" does not include Employees who participated during the current plan year, left the plan by discontinuing contributions to the plan, and who then are rehired.

1.07 "New Participant" shall mean an Employee newly hired during the plan year and who has not previously participated in the flexible spending accounts during the current plan year.

1.08 "Plan" shall mean the Employer's Section 125 Flexible Benefit Plan as hereafter amended from time to time.

1.09 "Policy" shall mean the medical expense reimbursement insurance risk coverage contract issued to the Employer by American Fidelity Assurance Company. The Employer has either (a) applied for coverage under the Policy and the Trust Subscription Agreement, as required by the Recordkeeper, has been submitted to the Recordkeeper (See Article VII for limitations of election), (b) not applied for the Policy and will assume the uniform coverage risk for the medical expense reimbursement and has signed and submitted a Flexible Spending Account Agreement), or (c) has not submitted any signed Agreement because the Plan either does not include medical expense reimbursement and only includes dependent daycare reimbursement.

1.10 "Recordkeeper" shall mean American Fidelity Assurance Company as duly appointed by the Employer pursuant to the terms of the Plan.

ARTICLE II

POWERS AND DUTIES OF THE RECORDKEEPER

2.01 Recordkeeper. The Recordkeeper shall provide the recordkeeping and other ministerial services as the Recordkeeper appointed by the Employer as such under the terms of the Plan. The duties of the Recordkeeper shall be only as provided under this Statement of Terms and Conditions, the Policy, or as otherwise agreed to, in writing, by the Recordkeeper.

2.02 Powers of the Recordkeeper. The Recordkeeper shall have such powers as are necessary for the proper payment of claims for medical expense reimbursement and dependent care expense reimbursement benefits under the Plan, including, but not limited to, the following:

(a) To prescribe procedures to be followed by Participants in filing applications for benefits under the Plan and for furnishing evidence necessary to establish their rights to benefits under the Plan;

(b) To apply the provisions of the Plan (including the provision allowing no election changes by participants for the medical expense reimbursement account during the plan year unless otherwise agreed to in writing by the Employer and the Recordkeeper) as interpreted by the Plan Administrator in determining the rights of any Participant who applies for benefits under the Plan and to notify any such Participant of any such determination;

(c) To obtain from the Employer, Participants, and others, information as shall be necessary for proper accounting of expense reimbursement benefit payments made pursuant to the terms of the Plan, the Policy, and the directions of the Plan Administrator; and

(d) To receive from and hold on behalf of the Plan Administrator those sums of monies in the Account as determined by the Plan Administrator which (i) represent contributions made under the Plan (by Participants or the Employer) and

(ii) will be held and administered in accordance with the Plan, the Policy and this Statement of Terms and Conditions to pay benefits (or to be returned to the Employer).

Provided, the foregoing notwithstanding, the Recordkeeper shall have no power to add to or subtract from or to modify any of the provisions of the Plan, or to change or add to any benefit provided in the Plan.

2.03 Claim Procedure. The Recordkeeper shall pay or deny claims for reimbursement of medical expenses and dependent care expenses in accordance with the terms of the Plan, where applicable. The Recordkeeper shall refer to the Plan Administrator any request for review of a denial of benefits pursuant to the provisions of the claim procedures set forth in the Plan. In accordance with the terms of the Plan, the Plan Administrator (and not the Recordkeeper) shall have the final and absolute authority to determine the validity of claims and whether claims should be paid or denied. Claims will be retained by the Recordkeeper for a period of six years plus the current year, after which they will be purged.

No reimbursement will be made to the participant under the dependent day care and/or medical expense reimbursement account until the first contribution is received from the employer and posted to the participant's account.

2.04 Debit Card Procedure. The Recordkeeper shall pay or deny claims in the event that the Employer elects to allow the use of debit cards ("Debit Cards") for reimbursement of Eligible Medical Expenses under the Medical Expense Reimbursement Plan, in accordance with Section 8.05 of the Plan.

2.05 Duties of the Recordkeeper. The Recordkeeper shall provide the following recordkeeping services to the Plan Administrator:

(a) At the direction of the Plan Administrator, make expense reimbursement benefit payments from the Account to or for the benefit of Participants entitled to such benefits under the Plan;

(b) Provide to the Plan Administrator by January 15 of each year, if requested, annual statements of monies from Participants received and posted who participated in the Dependent Care Expense Plan as set forth in the Plan during the preceding calendar year;

(c) Prepare a monthly reconciliation of allocations and expense reimbursement benefit payments made from the Account, if requested;

(d) Return unused reimbursement amounts which may be due to the Employer under the terms of the Plan and the Policy on a timely basis following the runoff period after the end of the Plan year.

ARTICLE III

RESPONSIBILITIES OF EMPLOYER AS PLAN ADMINISTRATOR

3.01 Responsibilities Concerning Recordkeeper. The Employer shall take the following actions in connection with its delegation of recordkeeping duties to the Recordkeeper:

- (a) Deliver to the Recordkeeper all contributions (both by Participants and the Employer) received by the Employer under the Plan;
- (b) Provide any and all cost, claims, contribution and participation information in the format and frequency that the Recordkeeper determines is necessary to perform its recordkeeping duties;
- (c) Interpret the Plan and provide written directions to the Recordkeeper concerning (i) the proper interpretation of the terms of the Plan or any expense reimbursement provision thereunder and (ii) payment of benefits; and
- (d) Complete and file an annual 5500 report, if necessary.

3.02 Indemnification of Recordkeeper. Notwithstanding any other provision of this Statement of Terms and Conditions or the Policy, the Employer agrees to indemnify and hold the Recordkeeper harmless from and against any liability, damage, expense (including attorney fees) or cost that it may incur in serving as Recordkeeper under this Statement of Terms and Conditions, including but not limited to any claim arising from damage experienced by the Employer, the Plan Administrator or a Participant in connection with the adoption or maintenance or administration of the Plan, unless arising from the Recordkeeper's own negligent or willful breach of the provisions of this Statement of Terms and Conditions.

ARTICLE IV

ESTABLISHMENT OF ACCOUNTS

4.01 Account to Hold Contributions. Pursuant to the Plan and Policy, the Employer is required to collect contributions. The Employer does not desire to retain physical custody of such contributions and has requested that the Recordkeeper hold and administer such contributions as agent of the Employer, for the benefit of the Participants in the Plan. Accordingly, the Employer hereby requests the Recordkeeper to establish the Account for and on behalf of the Employer and the Participants in the Plan. In accordance with the terms and provisions of the Plan, the Employer shall collect and remit to the Recordkeeper all amounts collected by it under the Plan. All amounts received by the Recordkeeper will be credited to the Account which has been established in the name of the Employer by the Recordkeeper. The Employer will deliver all such contributions as soon as reasonably possible following receipt by the Employer in accordance with the terms of the Plan in order that such amounts may be available to pay benefits. No credits for adjustments on previous billings are allowed; any necessary adjustment will be resolved separately from the monthly contributions upon written agreement between Employer and Recordkeeper.

4.02 Account to Remain Property of the Employer. All contributions to the Account (and the Account itself) shall be deemed to be and remain the exclusive property of the Employer until payment of benefits has occurred. The Recordkeeper shall have no proprietary interest in or title to any amounts held in the Account, its duties hereunder being solely to administer the Account for and on behalf of the Employer and the Participants in accordance with the terms and provisions of the Plan and this Statement of Terms and Conditions. Further, the Account shall in no manner whatsoever be considered as a trust or other similar entity.

4.03 Status of Recordkeeper. The duties of the Recordkeeper hereunder shall be performed in its capacity as the agent of the Employer for the purposes of administering the Account. Due solely to the fact that the Recordkeeper is administering the Account for and on behalf of the Employer, this fact in no manner whatsoever should be considered as a guarantee to either the Employer or the Participants that all funds which need to be made available for the payment of benefits under the plan are in the Account. The Recordkeeper does not warrant payment of any amounts otherwise due to be paid under the Plan except with respect to those amounts which the Employer has delivered to the Recordkeeper for payment of benefits as provided under the Plan and the Policy. The maximum amount of reimbursement elected by a Participant under the medical expense reimbursement account is available at all times during the period of coverage, as required under Prop. Treas. Reg. Section 1.125-5(d).

4.04 Account Not to Earn Interest. The Employer has specifically requested of and the Recordkeeper has agreed that the contributions will not be maintained in interest bearing accounts or investments; accordingly, the contributions held in the Account will be held only in non-interest bearing accounts and investments.

ARTICLE V

TERM OF STATEMENT OF TERMS AND CONDITIONS

5.01 Termination. Unless earlier terminated pursuant to the provisions of 5.02, this Statement of Terms and Conditions shall remain in effect for one Plan year following the effective date. At the end of one Plan year, this Statement of Terms and Conditions will continue in full force and effect until terminated. Further, this Statement of Terms and Conditions will automatically terminate upon termination of the Plan if the Employer certifies to the Recordkeeper that no further benefits are to be paid to Participants. In the event of termination of this Statement of Terms and Conditions, any and all amounts held in the Account will be returned to the Employer in accordance with the terms of the Policy, and the Employer will then be solely responsible for the performance of the duties otherwise required to be performed by the Recordkeeper hereunder or under the Plan.

5.02 Termination Upon Written Notice. This Statement of Terms and Conditions may be terminated with or without cause by either party upon no less than thirty (30) days written notice to the other party. In addition, the Statement of Terms and Conditions may be terminated immediately by written notice specifying a termination date by any party should any of the following events occur: (a) a party fails to comply with the Statement of Terms and Conditions, or

(b) an act of dishonesty or fraud is committed by any party, or (c) any other reason deemed by American Fidelity to be a legitimate business reason. If American Fidelity insures the uniform coverage risk, the risk policy will also terminate and all risk reverts back to the Employer. This would include instances where the Employer consolidates with another entity during the plan year and does not allow the flexible spending accounts to run the full length of the plan year. If American Fidelity's recordkeeping services are terminated, or if Employer terminates either the Section 125 Plan or the flexible spending accounts, a runoff period will only be honored if Employer immediately provides funds to pay any outstanding claims.

ARTICLE VI

FEES FOR SERVICES

6.01 Fees. In consideration of the Recordkeeper performing the services described herein for the Employer, the Employer will pay a fee of **\$0.00** per month for participation in one or both flexible spending accounts for each Participant in the Plan during such month. Payment of all required fees will be made each month during the term of this Statement of Terms and Conditions following the month in which such services are performed. If the debit card is allowed by the Employer in the Medical Expense Reimbursement Account, there will be an additional fee of **\$0.00** per month per participant electing the debit card.

ARTICLE VII

EXCEPTION TO ELECTION CHANGES

7.01 Exception to Election Changes. If the employer applies for the Medical Expense Reimbursement Policy, Participants may not make election changes under said Policy except in the case of termination of employment unless otherwise agreed to in writing by Employer and Recordkeeper, or otherwise stipulated by amendment to this Statement of Terms and Conditions. This stipulation does not affect election changes under a dependent care account.

ARTICLE VIII

COMPLIANCE WITH HIPAA REQUIREMENTS AS A BUSINESS ASSOCIATE OF THE EMPLOYER

8.01 Recordkeeper as Business Associate. In connection with Recordkeeper's performance of services pursuant to this Statement of Terms and Conditions, Recordkeeper may create, receive or have access to Protected Health Information. Since HIPAA regulates the use and disclosure of Protected Health Information ("PHI"), Employer and Recordkeeper want to address

and ensure in this Article VIII their respective compliance with HIPAA's applicable business associate provisions and requirements in connection with the services performed under this Statement of Terms and Conditions. Wherever the term "Employer" is used in this Article VIII, it shall mean "Plan Administrator" and "Employer", as those terms are defined in Paragraphs number 1.02 and 1.05 of this Statement of Terms and Conditions.

8.02 Definitions. When used in this Article VIII, the following terms shall have the meanings specified adjacent to them:

- (a) "ARRA" means the American Recovery and Reinvestment Act of 2009.
- (b) "Breach" means the acquisition, access, use, or disclosure of PHI in a manner not permitted under 45 C.F.R., Part 164, Part E, which compromises the security or privacy of the PHI.
- (c) "Breach Notification Rule" means the regulations set forth at 45 C.F.R. Part 164, Subpart D, as hereafter amended, which implement the Breach notification requirements set forth in HIPAA.
- (d) "Data Aggregation," "Designated Record Set," "Secretary" and "Standard Transaction" shall each have the meaning provided for that term in HIPAA.
- (e) "Electronic PHI" means any information that comes within or satisfies the definition of "protected health information" at 45 C.F.R. §160.103, and is disclosed to, or created, obtained, maintained or received in electronic media by Recordkeeper in connection with, or in any manner related to, Recordkeeper's performance of services pursuant to this Statement of Terms and Conditions, or otherwise for or on behalf of Employer or any Plan.
- (f) "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, and all rules and regulations promulgated thereunder, as either or both are amended and revised from time to time.
- (g) "Law" means any and all statutes, legislation, rules, regulations, codes, laws, orders, decrees, decisions, and ordinances enacted, issued or promulgated by any federal, state or local governmental authority, agency, body, commission, board, court or legislature.
- (h) "Person" means any natural person, corporation, limited liability company, partnership, trust, or other legal entity or organization.
- (i) "Plan" means all individual or group health plans, cafeteria plans, and similar employee benefit plans sponsored by the Employer that provide, reimburse or pay the cost of medical care or similar services and to which Recordkeeper now or hereafter provides services.

- (j) "Privacy Rule" means the regulations set forth at 45 C.F.R. Part 160 and Part 164, subparts A and E, as hereafter amended, which implement the privacy requirements set forth in the Administrative Simplification provisions of HIPAA.
- (k) "Protected Health Information" or "PHI" shall mean any information constituting "protected health information," as that term is defined in HIPAA, that is disclosed to, or created, obtained, maintained or received by, Recordkeeper in connection with or in any manner related to, Recordkeeper's performance of services pursuant to this Statement of Terms and Conditions, or otherwise for or on behalf of Employer or any Plan.
- (l) "Secretary" means the Secretary of Health and Human Services, or his or her duly authorized designee.
- (m) "Security Incident" has the same meaning as the term "security incident" in 45 C.F.R. §164.304.
- (n) "Security Rule" means the regulations set forth at 45 C.F.R. Part 164, subpart C, as hereafter amended, which implement the security requirements set forth in the Administrative Simplification provisions of HIPAA.

8.03 Use and Disclosure. Recordkeeper shall neither use nor disclose PHI except as provided in this Article or permitted by applicable law. Except as otherwise specified in this Article, Recordkeeper may make any and all uses of PHI that are reasonably necessary to perform its undertakings with respect to the services under this Statement of Terms and Conditions. Neither Employer nor any Plan shall request Recordkeeper to use or disclose PHI in any manner that would violate HIPAA.

8.04 Further Limitations or Restrictions. Recordkeeper shall also comply with all further limitations and restrictions on the privacy or any use or disclosure of PHI agreed by Employer or any Plan in accordance with 45 C.F.R. §164.522 to the extent they may affect Recordkeeper's use or disclosure of PHI provided that Recordkeeper has received prior written notification of those limitations and restrictions from Employer or the applicable Plan. Neither Employer nor any Plan will commit Recordkeeper to any such limitations or restrictions, including, but not limited to, restrictions on the use or disclosure of PHI as provided for or limitations in 45 C.F.R. §164.522, unless those limitations or restrictions are required by applicable law or, in all other instances, without first obtaining Recordkeeper's written approval, which approval will not be unreasonably withheld or delayed. Employer shall immediately notify Recordkeeper of any changes in, or revocation of, any authorization or consent of any participant of or beneficiary under any Plan with respect to the use or disclosure of PHI, to the extent same may affect Recordkeeper.

8.05 Use for Management and Administration. Recordkeeper may use PHI as necessary for the proper management and administration of Recordkeeper or to carry out the legal responsibilities of Recordkeeper. Recordkeeper may disclose PHI as necessary for the proper

management and administration of Recordkeeper or to carry out the legal responsibilities of Recordkeeper if (a) the disclosure is required by law or (b) prior to the disclosure, Recordkeeper obtains a binding written agreement from each Person to whom Recordkeeper will disclose the PHI which provides that each such Person will (i) hold the PHI in confidence and use or further disclose the PHI only as required by law or for the lawful purpose for which Recordkeeper disclosed it to the Person, and (ii) notify Recordkeeper of each instance of which the Person becomes aware in which the confidentiality of the PHI is breached and/or a Security Incident occurs.

8.06 Other Services. Recordkeeper may use PHI, as permitted by HIPAA, to provide Data Aggregation services relating to the health care operations of Employer or any Plan as permitted under HIPAA. Recordkeeper may use PHI to report a violation of Law to the Secretary in accordance with HIPAA.

8.07 Safeguards. Recordkeeper will use appropriate, commercially reasonable safeguards to ensure the confidentiality of PHI permitted under this Statement of Terms and Conditions. Recordkeeper will implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the Electronic PHI that Recordkeeper creates, receives, maintains or transmits on behalf of Employer or any Plan. Recordkeeper shall promptly notify Employer in writing after Recordkeeper has actual knowledge of any use or disclosure of PHI not permitted by this Article. Recordkeeper's obligation to protect the privacy of the PHI it created or received for or from Employer will be continuous and survive the termination of the Statement of Terms and Conditions. Recordkeeper will report to the applicable Plan and Employer any Security Incident of which it becomes aware.

8.08 Assignment. In each instance that Recordkeeper provides PHI to any agent, sub-contractor, assignee or delegatee and/or assigns or delegates (if such assignment or delegation is permitted hereunder) any of its undertakings with respect to the services under this Statement of Terms and Conditions to any other Person, then Recordkeeper shall obtain a binding written agreement from each such agent, subcontractor, assignee and delegatee requiring that Person to comply with the provisions of this Article with respect to the use, disclosure and safeguarding of PHI including, without limitation, the implementation of reasonable and appropriate safeguards to protect Electronic PHI and the reporting of Security Incidents involving such Person of which such Person becomes aware.

8.09 Standard Transactions. If Recordkeeper conducts in whole or in part any Standard Transaction for or on behalf of Employer or any Plan, Recordkeeper will comply, and Recordkeeper will require any of its subcontractors or agents involved with the conduct of such Standard Transaction to comply, with each applicable requirement of HIPAA as respects that Standard Transaction, as follows:

- (a) When either party provides, transmits or exchanges data and information electronically to the other party with respect to any Plan, that party shall transfer the data and information in the code sets, data elements, and formats reasonably specified by Recordkeeper. To the extent required by HIPAA, Recordkeeper shall only specify and use the code sets, data elements and formats that comply with HIPAA. All electronic transmissions between the parties shall be to the address provided by the receiving

party to the transmitting party. Plan Administrator authorizes Recordkeeper to submit such data and information to Plan Administrator in the specified electronic format after completion of successful testing thereof. If Plan Administrator is unable or unwilling to transfer data in the specified legal electronic format proposed by Recordkeeper, then Recordkeeper shall be under no obligation to receive or transmit data in any other format.

- (b) Recordkeeper shall use its reasonable efforts to provide Plan Administrator with at least sixty (60) days' prior written notice of any proposed change by Recordkeeper to any code sets, data elements or segments, and formats then being used by the parties hereto for purposes of the electronic exchange of data and information concerning any Plan.
- (c) Each party will take reasonable measures to ensure that its data transmissions concerning the Policy or containing any PHI are timely, accurate, complete, and secure, and will take reasonable precautions to prevent unauthorized access to the other party's data transmission or operating system. If either party receives data from the other party that was not intended for it, the receiving party will immediately notify the sender to arrange for, at the sender's sole election, the return, re-transmission or destruction of that data.
- (d) Each party will obtain and maintain, at its own expense, its own operating system necessary for timely, complete, accurate, and secure data transmission pursuant to this Statement of Terms and Conditions. Each party will pay its own costs related to data transmission under this Statement of Terms and Conditions, including, without limitation, charges for the party's own operating system equipment, software and services, maintaining an electronic mailbox, connection time, terminals, connections, telephones, internet service providers, modems, and applicable minimum use charges, except as otherwise provided in this Statement of Terms and Conditions or any other agreement between the parties. Each party will be responsible for its own expenses incurred in connection with translating, formatting, and sending or receiving communications over the electronic network to any electronic mailbox of the other party, except as otherwise provided in this Statement of Terms and Conditions or any other agreement between the parties.
- (e) Each party will provide the other party with all information (including, without limitation, access and security codes) reasonably necessary to allow access to the other party's operating system in order to successfully complete data transmissions and satisfy the transmission and security requirements provided in this Statement of Terms and Conditions. Each party shall test, and cooperate with the other party in testing, each party's operating system to reasonably ensure the accuracy, timeliness, completeness, and confidentiality of each data transmission made in connection with any Plan.
- (f) Each party shall use its reasonable efforts in accordance with prudent business practices to provide uninterrupted access to the operating system of the other party for purposes of electronic transmissions concerning any Plan.

- (g) The parties shall use their good faith efforts to incorporate herein such applicable requirements of HIPAA that are hereafter adopted concerning the privacy, security, standardization or encryption of electronic data transmissions involving any Plan.

8.10 Access. Upon Employer's reasonable written request, Recordkeeper will make available to Employer or, at Employer's direction, to an individual participant in any Plan (or the individual's personal representative) any PHI (in its possession or under its reasonable control) concerning the individual in a Designated Record Set for his or her inspection and obtaining copies for so long as the PHI is so maintained by Recordkeeper. The PHI shall be made available in the format requested by the individual, unless the PHI is not readily producible in such format, in which case it shall be produced in a readable hard copy format. Recordkeeper shall have the right to charge the individual a reasonable cost-based fee, as permitted by 45 C.F.R. §164.524. Recordkeeper does not assume any obligation to coordinate access to PHI maintained by other business associates of Employer or any Plan. Recordkeeper shall make its internal policies, procedures, practices, books and records relating to its safeguarding, use or disclosure of PHI available to the Secretary, in a time and manner reasonably designated by the Secretary for purposes of determining Employer or any Plan's compliance with HIPAA.

8.11 Amendment of PHI. Upon Employer's request, Recordkeeper will promptly amend, or provide Employer with reasonable access to promptly amend, any portion of the PHI or any record in a Designated Record Set in accordance with 45 C.F.R. §164.526 for as long as the PHI is maintained in a Designated Record Set in the possession or under the reasonable control of Recordkeeper.

8.12 Accounting. Recordkeeper will maintain a record for each disclosure of PHI, which is not excepted from disclosure accounting under HIPAA, including, without limitation, 45 C.F.R. §164.528, that Recordkeeper makes to any Person. That record shall include all information that Employer would be required under HIPAA to respond to a request by a participant in any Plan (or his or her personal representative) for an accounting of disclosures of PHI in accordance with HIPAA, including, without limitation, the information required by 45 C.F.R. §164.528(b)(2).

8.13 Breach of Obligations. If Employer determines that Recordkeeper has breached the provisions of this Article in any material respect and Recordkeeper has not remedied or cannot remedy that breach within fifteen (15) days after its receipt of written notification thereof from Employer, Employer may terminate the recordkeeping arrangement and this Statement of Terms and Conditions or, if termination is not feasible, report the breach to the Secretary.

8.14 Return of PHI. Upon termination of the recordkeeping arrangement or this Statement of Terms and Conditions and as to the extent permitted by applicable law and as consistent with its other obligations and undertakings provided in this Article, Recordkeeper will, if feasible, return to Employer or destroy all PHI that Recordkeeper still maintains in any form, including all copies of any data or compilations derived from and allowing identification of any individual who is a subject of the PHI. Recordkeeper will complete such return or destruction as promptly as possible. Recordkeeper will identify the conditions that make the return or destruction of any PHI infeasible and any PHI that Recordkeeper cannot feasibly return to Employer or destroy. Recordkeeper will limit its further use or disclosure of that PHI to those purposes that make its

return or destruction of that PHI infeasible, and extend the safeguards and protections of this Statement of Terms and Conditions to that PHI.

8.15 Compliance By Employer. As between Employer and Recordkeeper, Employer shall be solely responsible for compliance with the applicable plan sponsor disclosure rules of 45 C.F.R. §164.504(f) and other requirements of HIPAA applicable to Employer as the sponsor and/or administrator of any Plan. As between a Plan and Recordkeeper, such Plan shall be solely responsible for its compliance with the applicable obligations and requirements under HIPAA applicable to that Plan as a covered entity. To the extent that Recordkeeper provides PHI (other than "summary health information," within the meaning of 45 C.F.R. §164.504(a), or enrollment information) to Employer in connection with the services performed under this Statement of Terms and Conditions or otherwise, Employer will ensure compliance with the requirements of HIPAA including 45 C.F.R. §164.504(f) with respect to that PHI. To the extent that Employer is relying upon the "summary health information" exception to the foregoing plan sponsor disclosure requirements, Employer will ensure, consistent with the provisions of 45 C.F.R. §164.504(f)(ii), that the information in question meets the requirements of that definition and that the information is sought for the purpose of obtaining premium bids or for modifying, amending or terminating the group health plan or any other legally permissible purpose.

8.16 Amendments to HIPAA. Upon the effective date of any final regulation or amendment to HIPAA that conflicts with any term of this Article or which imposes any requirement, condition or obligation upon Recordkeeper, Employer or any Plan concerning the subject matter hereof that is not imposed by this Article, then this Article will be automatically amended to incorporate the applicable terms and conditions of that regulation or amendment such that this Article contractually imposes those terms upon the party or parties hereto to which they apply. Any ambiguity in this Article shall be resolved in favor of a meaning that results in the parties complying with HIPAA.

8.17 Effective Date. This Article shall be effective on the effective date of this Statement of Terms and Conditions, except with respect to the applicable requirements of the HIPAA security standards for the protection of Electronic PHI set forth at Subpart C of Part 164 of Title 45 of the Code of Federal Regulations, which shall be effective on the later of the effective date of this Statement of Terms and Conditions or April 20, 2005. The Employer or any Plan's engagement of Recordkeeper to perform any services during which Recordkeeper may create or have access to PHI shall constitute Employer and that Plan's acceptance of, and agreement to, all the terms and provisions of this Article.

8.18 ARRA Compliance. Recordkeeper acknowledges and agrees, as of the applicable effective dates for such provisions, Recordkeeper shall comply with each provision of the American Recovery and Reinvestment Act of 2009 ("ARRA") that extends HIPAA Privacy or Security Rule requirements to Business Associates of Covered Entities. The term "Business Associate" and "Covered Entity" shall have the meanings given such terms at 45 C.F.R. § 160.103.

8.19 Compliance with Breach Notification Rule. Recordkeeper shall report any Breach to Employer and Plan as soon as possible, but in no event later than 30 days after Recordkeeper becomes aware of any Breach. Recordkeeper shall, at the direction of the Plan,

cooperate and assist in investigating the Breach, performing a risk assessment, determining whether the Breach is reportable under the Breach Notification Rule, and taking steps to minimize any adverse consequences resulting from the Breach. Recordkeeper shall take appropriate disciplinary action against any of its employees that were involved in the Breach. Recordkeeper shall not report the Breach to any individual, the Secretary or the media and shall keep the investigation strictly confidential. The Plan shall make the determination of whether the Breach is a reportable Breach under the Breach Notification Rule and shall comply with applicable reporting requirements.

SECTION IX

MISCELLANEOUS

9.01 Action by the Employer. Whenever under the Statement of Terms and Conditions the Employer is permitted or required to do or perform any act or thing, it shall be done and performed by an officer or a proper authority of the Employer.

9.02 Notices. All notices, advice, direction or reports required or permitted to be given under this Statement of Terms and Conditions shall be in writing and shall be mailed postage prepaid or delivered by hand and acknowledged by signed receipt, addressed as follows:

To Recordkeeper:

American Fidelity Assurance Company
AWD Section 125 Administration
2000 Classen Center
P O Box 268887
Oklahoma City, OK 73125-0640

To Employer at last known address

9.03 Applicable Law. The provisions of this Statement of Terms and Conditions shall be construed, administered, and enforced according to the laws of the State of Oklahoma.

9.04 Amendment. This Statement of Terms and Conditions may be amended by Recordkeeper by written notice to Employer.

9.05 Titles. The title of the Articles and Paragraphs hereof are included for convenience only and shall not be construed as a part of this Statement of Terms and Conditions or in any respect affecting or modifying its provisions.

9.06 Severability. If any provision or provisions of this Statement of Terms and Conditions shall be held illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining provisions of this Statement of Terms and Conditions, but shall be fully severable and the Statement of Terms and Conditions shall be construed and enforced as if said illegal or invalid provisions had never been inserted herein.

9.07 Controlling Agreement. This Statement of Terms and Conditions supersedes and replaces any prior agreement between the parties with respect to the subject matter contained herein.

THIS STATEMENT IS NULL AND VOID IF ALTERED IN ANY WAY.

RKA0111

Thank you for continuing to use American Fidelity as the administrative services provider for your Section 125 cafeteria plan. Based on information you provided to us, we have prepared the attached amended and restated sample plan document for review by you and your legal counsel. The amended and restated plan document supersedes your previous plan document. The previous plan document should be retained as part of your permanent records and filed under the Tab "Amendments" or "Previous Documents" in your binder. After reviewing the attached documentation to ascertain its correctness, and if all is in order, remove the "sample" page and sign where necessary (you will need to print the documents if received via e-mail). If changes are necessary, please note the changes, initial next to the change and fax to us for correction.

Our services include assisting you in the administration of your cafeteria plan. We will prepare amended and restated plan documents, if necessary, based on information provided by you; provide an updated administration guide to assist you in the on-going administration of your plan (**This guide is located on our website, www.afadvantage.com. See additional information in the 'Important Reminders' section of this letter.**); provide either an annual re-enrollment of your employees, or enrollment forms, prior to the plan anniversary date; provide a 25% key employee discrimination worksheet and a 55% average benefits discrimination worksheet for dependent daycare, if applicable; provide compliance assistance in interpreting the IRS regulations governing cafeteria plans, and furnish a semi-annual newsletter outlining any changes to sections of the tax code impacting on cafeteria plans and other pertinent information. Copies of the laws and regulations governing cafeteria plans are provided on request.

As the plan sponsor/plan administrator, it is your responsibility, among other things, to prepare and file any required reports for the underlying welfare benefit plans, to prepare and distribute a summary plan description to employees, provide COBRA, FMLA or HIPAA administration, verify that all benefits provided by other carriers in the plan are qualified for tax-exemption, assure that the plan is not discriminatory, and calculate imputed tax for employer-provided (Section 79) group term life coverage exceeding \$50,000, whether outside a cafeteria plan or being salary-reduced within a cafeteria plan. A copy of the Section 79 Uniform Table Calculation is enclosed.

Some important reminders:

- You must have an executed written cafeteria plan document meeting the legal requirements of Internal Revenue Code Section 125 and formally adopted by the employer. The plan must contain operating rules covering benefit descriptions, eligibility rules, manner of employer contributions, maximum amount of employer and employee contributions, the plan year, timing of participant elections and the irrevocability of participant elections. In addition, the plan cannot discriminate in favor of highly compensated employees or key employees either as to eligibility to participate or in contributions and benefits.
- If your plan provides either eligibility requirements or contributions and benefits that are not the same for all eligible employees it may be considered to be discriminatory. Please seek advice from your tax or legal counsel.
- If you did not specify the amount of non-elective employer contributions provided under your Section 125 plan, we will use special wording in that portion of your plan document. It will read as follows:

"The Employer may at its sole discretion provide a non-elective contribution to provide benefits for each Participant under the Plan. This amount will be set by the Employer each Plan Year in a uniform and non-discriminatory manner. The amount of such contribution, if any, will be set forth in the enrollment materials. If the non-elective contribution exceeds the cost of benefits elected by the Participant, excess amounts (will) (will not) be paid to the Participant as taxable cash."

Specifying non-elective employer contributions is a statutory requirement under the Code Section 125 regulations. Therefore, if these contributions are not specified in the Plan Document, you must include the dollar amount of employer contributions in the enrollment materials.

- In order to avoid the doctrine of constructive receipt, elections of pre-tax benefits must be made prior to the anniversary date of the plan. All employees should sign either an affirmative election, or a statement that they are not making any changes for the coming plan year, and if waiving participation, should sign a waiver. Mid-year election changes are only allowed if (1) a qualified event has occurred and (2) the change requested is on account of and consistent with the event. A change verification form should be signed by the employee (see the Administration Guide for further guidance). Election forms must be maintained for a period of at least three years for audit purposes, and longer if you are subject to ERISA regulations. ERISA regulations require that records be maintained for a period of at least six years; *the plan document and any amendments thereto must be maintained permanently.*
- It is very important that you review the Section 125 Administration Guide and, if applicable, the URM Policy, and Recordkeeping Terms and Conditions. You are provided with the Recordkeeping Agreement with each plan document you receive. The Administration Guide and URM Policy are available on our website, <http://afadvantage.com/for-employers/125-administration>. You will be prompted for a password to access each document. The password is 'sect125'. Once opened you may view and/or print. If you do not have internet access, please contact us to have the documents mailed to you.

If your Section 125 cafeteria plan includes flexible spending accounts, the following may clarify frequent areas of concern:

- Changes in the Unreimbursed medical (Health FSA) Account – When American Fidelity assumes the risk on the Health FSA, participants will not be allowed to make mid-year election changes for any reason except for termination of employment. No other change of status will be accepted. Employers who assume their own risk can refer to the Section 125 Administration Guide for qualified mid-year election changes.
- Leave of Absence (LOA) – During an unpaid leave of absence, contributions to the Health FSA account may either be pre-taxed in advance prior to the LOA, made on an after-tax basis while out on leave, or upon return to work, may be prorated over the remaining pay periods. Contributions must continue in order for coverage to continue.
- Options at Termination of Employment – Terminating participants in the Health FSA must be offered COBRA, as follows: if the employer makes no contributions to the Health FSA and if the employee is exempt from HIPAA (has other medical coverage), then you are only required to offer COBRA through the end of the cafeteria plan year. As of the date of termination, if the employee has taken more out of the account than he has contributed, then you do not have to offer any COBRA coverage.

Please refer to the administration guide for more information. Once again we look forward to assisting you with your Section 125 plan. Please call us at 1-800-437-1011 ext. 7038 any time you have questions.

Sincerely,
The Section 125 Administration Department



McAlester City Council

AGENDA REPORT

Meeting Date:	July 9, 2013	Item Number:	1
Department:	City Manager	Account Code:	
Prepared By:	Peter J. Stasiak	Budgeted Amount:	
Date Prepared:	July 1, 2013	Exhibits:	4

Subject

Discussion and request from Ms. Janell Brooks regarding rezoning at 804 E. Monroe.

Recommendation

For discussion only.

Discussion

Ms. Brooks is requesting to rezone of a parcel of property that is 7500 sq. ft. from R-1B (Single Family Residential District) to C-2 (Neighborhood Convenience District).


The Land Development Code Section 62-107 (1) (B) states the minimum lot area for rezoning to a C-2 District shall not be less than 50,000 sq. ft. Applicant was informed prior to submitting an application for rezone that they do not qualify per City of McAlester Code.

This case was denied for rezone by the Planning Commission on June 18, 2013.

Attachments:

- 1) Letter from Janell Brooks – Request to be on City Council Agenda for July 9, 2013
- 2) Planning Commission Agenda for June 18, 2013
- 3) Planning and Zoning Commission Staff Report June 18, 2013
- 4) Planning Commission Minutes for June 18, 2013

Approved By

		Initial	Date
Department Head			
City Manager	P. Stasiak		7/2/2013

JANELL;S HOUSE OF BEAUTY

DBA/ JANELL'S HEALTH AND BEAUTY SPA
812 E. MONROE E. MONROE
McALESTER, OKLA. 74501

Office of City Manager

JUN 26 2013

Received

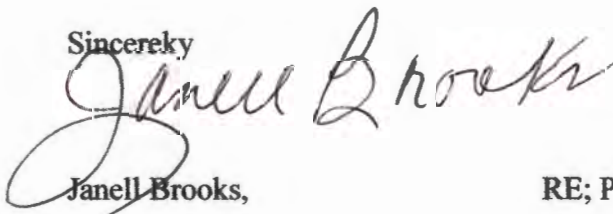
JUNE, 27,2013

Peter Stansiask
P.O. Box 578
1st & Washington
McAlester. Okla. 74501

Dear Sir;

We are Requesting to be put on the City of McAlester Council Agenda for July 9, 2013 Tuesday.
My Husband Gaylord and I Have information ,document on this matter. And would like to present it
to City Council Members. We Pray that you willl consider the rezoning at 804 E. Monroe
,the request we made June 25th at the 6:00 meeting. Thank-you

Sincerely

A handwritten signature in cursive script that reads "Janell Brooks". The signature is written in dark ink and is positioned above the printed name "Janell Brooks,".

Janell Brooks,

RE; P.C. 396

City of McAlester

Planning and Community Development Department

P.O. BOX 578 • 1ST & WASHINGTON • McALESTER, OK 74502 • 918-423-9300 • FAX 918-421-4970



June 13, 2013

TO: McAlester Planning Commission Members

FROM: Pete Stasiak - City Manager

RE: Planning Commission Meeting

There will be a meeting of the McAlester Planning Commission on Tuesday, June 18, 2013 at 6:30 p.m. in the City Council Chambers, Municipal Building.

A G E N D A

1. Roll Call.
2. Approval of Minutes from April 16, 2013 and May 22, 2013

GENERAL BUSINESS:

Staff report on each item of general business shall be presented by Planning Department prior to applicant's discussion with Planning Commission.

3. Discussion and Action on PC #395 – Request to Rezone: Applicant is requesting a change in zoning from R-1B (Single Family Residential District) to C-5 (Highway Commercial District)
4. Discussion and Action on PC #396 – Request to Rezone: Applicant is requesting a change in zoning from R-1B (Single Family Residential District) to C-2 (Neighborhood Convenience District)
5. Discussion and Action on UP #51 – Use Permitted After Review: Applicant is requesting a use permitted after review in the Wyandotte Corridor for medical, office, and retail.
6. Discussion and Action on VE #144 – Request to Close: Applicant is requesting the closing of a sewer easement in the following location: Lots 4, 5, and 6, in Block 19, City of McAlester
7. Discussion and Action on Replat of Lots 4, 5, and 6, Block 19, City of McAlester
8. New Business
9. Staff Report
10. Commission Report
11. Adjournment

IF YOU CANNOT ATTEND,
PLEASE CALL 423-9300 ext. 4933

Peter Stasiak-City Manager
(918)423-9300 ext. 4964

George Estrada - Building Inspector
(918)423-9300 ext. 4985

Jennifer Santino - Abatement Officer
(918)423-9300 ext. 4986

Charley Gilbertson- Plumbing Inspector
(918)423-9300 ext. 4987

Jim Roberts-Electrical Inspector
(918)423-9300 ext. 4984

PLANNING & ZONING COMMISSION
STAFF REPORT
June 18, 2013

To: McAlester Planning & Zoning Commission
From: Peter Stasiak
Date: June 13, 2013

Case: PC #396 Request to Rezone

APPLICANT(S): Gaylord Brooks
Janell Brooks
812 E. Monroe
McAlester, Ok 74501

ZONING DISTRICT: R-1B (Single Family Residential District)

LEGAL DESCRIPTION: Lots 20 and 21, in Block 243, City of McAlester, formerly South McAlester, Pittsburg County, State of Oklahoma.

GENERAL DESCRIPTION:

Applicant is requesting change in zoning from R-1B (Single Family Residential District) to C-2 (Neighborhood Convenience District)

PUBLICATION:

McAlester News Capital June 2, 2013

PROPERTY OWNER NOTIFICATION:

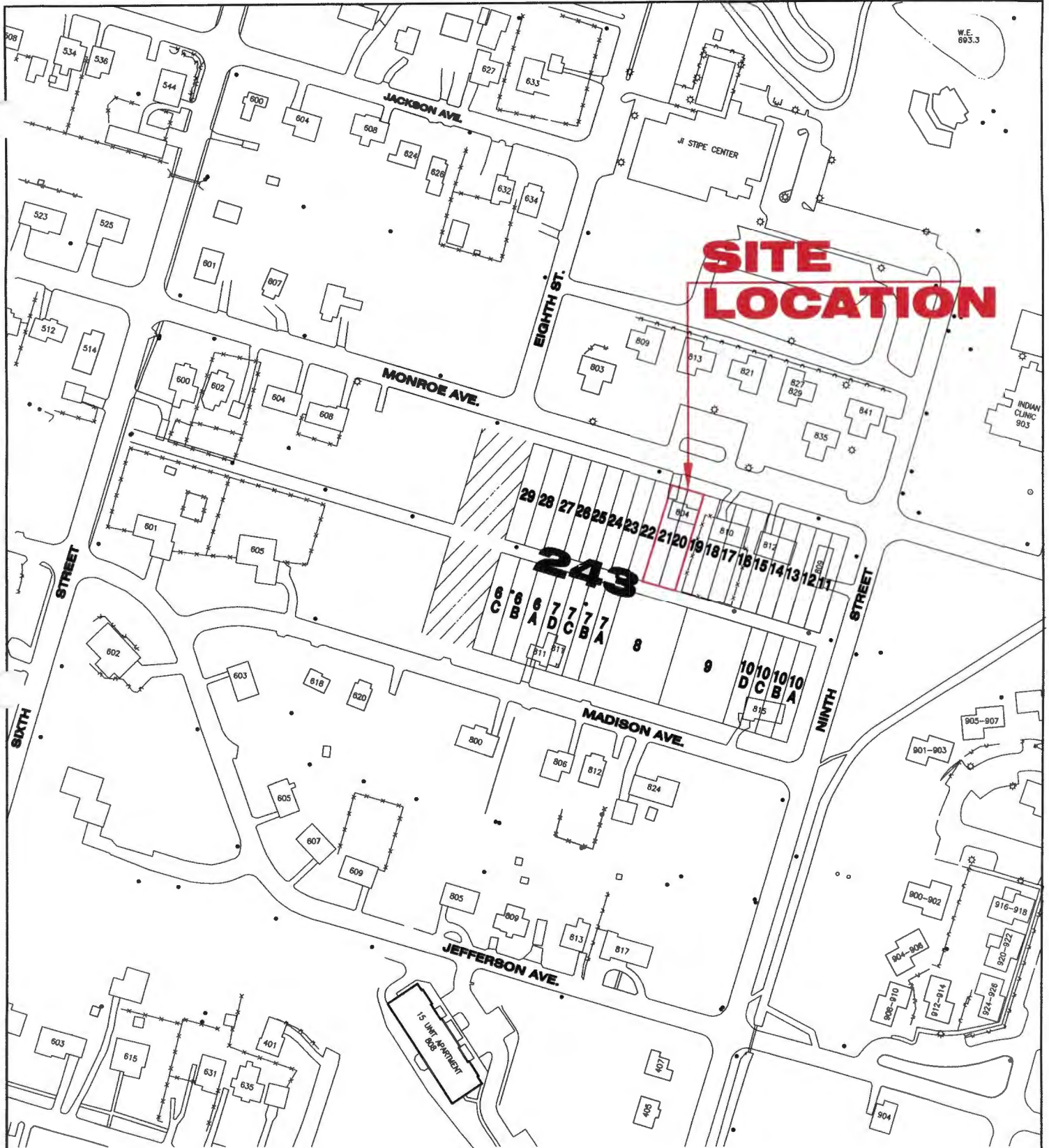
Property Owners within 300 feet	13
Notification receipts received	11
Notification letters still out	2
Notification letters returned unclaimed	

ATTACHMENTS:

Map of Site Location	Attached
Area Zoning Map	Attached
Letters of Support (45 total, 8 from surrounding neighbors)	Attached

STAFF NOTES:

Applicant is requesting to rezone of a parcel of property that is 7500 sq. ft. The Land Development Code Section 62-107 (1) (B) states the minimum lot area for rezoning to a C-2 District shall not be less than 50,000 sq. ft. Applicant was informed prior to submitting an application for rezone that they do not qualify per City of McAlester Code.



SCALE: 1" = 200'



Prepared By:
**City of McAlester
Engineering Department**

McAlester Planning Commission Minutes

Tuesday, June 18, 2013

City Council Chambers

6:30 PM

Item 1 Call to Order and Roll Call

Chairman Emmons called the meeting to order at 6:30 PM. Roll call was taken and a quorum was represented.

Commissioners Present: 8

Mark Emmons

Harvey Bollinger

Karen Stobaugh

Denise Lewis

Susan Kanard

Primus Moore

Ross Eaton

Justin Few

Commissioners Absent: 2

John McNally

Karl Scifres

Item 2 Approval of the Minutes from January 15, 2013

A motion made by Commission Member Eaton was seconded by Commission Member Moore to accept the minutes as written.

The vote was 8-0:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Few, Stobaugh, Emmons

Motion carried.

GENERAL BUSINESS:

Item 3 Discussion and Action of Request for Rezone: Applicant is requesting a change in zoning from R-1B (Single Family Residential District) to C-5 (Highway Commercial District)

Jennifer Santino, Code Enforcement/Abatement Officer, gave the staff report. Ms. Santino stated that Mr. Harlan Heinicke is seeking a rezone beginning at the Northeast Corner of Lot 1, in Block 139; Thence Southwesterly along the South Line of Lot 1, Block 139 to the extended West Line of 4th Street; Thence South along the extended West Line of 4th Street to the North Line of Mill Avenue and the South Line of the Railroad Right of Way; Thence Northeasterly along the North Line of Mill Avenue and the South Line of the Railroad Right-of-Way to the Southwest Corner of Lot 1, in Block 138; Thence continuing Northeasterly along the North Line of Block 138 and Block 137 and Block 136 to a point which is 10 feet West of the Northeast Corner of Lot 2, in Block 136; Thence West in a straight line to the Northeast Corner of Lot 1, in Block 139, along the South Line of Krebs Branch of the MK&T Railroad; Thence Southwesterly along the South Line of Lot 1, in Block 139 to the point of beginning; and Lot 1 and the Easterly 30 feet of Lot 2, in Block 139; and Lot 3, in Block 137; All in the City of McAlester, now known as North McAlester, Pittsburg County, State of Oklahoma.

She stated that Staff recommends the re-zone with the condition that the entrance be moved from Mill Street to Fourth Street and that the Applicant put in a solid screen next to residential areas.

Mr. Heinicke stated that he had thought this piece of land had already been rezoned until he spoke with the City of McAlester Codes Department. The buildings that would be constructed on the property would be used for recreation vehicles and boat storage.

Billy Coop, 415 E. Park spoke in favor of the rezone. He said that he has a lot next to this area and Mr. Heinicke has always kept his property mowed and looking nice. He mentioned that the property was not maintained before Mr. Heinicke purchased the property and that he has done a great job cleaning up the lot.

In opposition were Mr. Frank Tedrick, 402 E. Mill spoke against the rezone. He said that his property abuts the requested area and feels like this would bring down the value of his home. Mr. O.J. Rhone's mother lives at 510 E. Mill. He believed that this was a safety issue and doesn't want it located in the neighborhood. Mr. Cory Kuykendall reinstated that this was a safety issue for the children. Ms. Brenda Dominic 1501 N. 5th commented that she's afraid the storage units will not be maintained and the grass mowed. Commissioner Lewis noted that it sounded like the property was not maintained before Mr. Heinicke purchased it. Mr. Heinicke specified that his unit will be aesthetically pleasing to the neighborhood. He passed out a brochure of buildings that he would using.

After further discussion, a motion was made by Commission Member Kanard and seconded by Commission Member Few to table the item for more review until the next meeting.

The vote was 8-0:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Few, Stobaugh, Emmons

Motion carried.

Item 4 Discussion and Action of Request for Rezone: Applicant is requesting a change in zoning from R-1B (Single Family Residential District) to C-2 (Neighborhood Convenience District)

Jennifer Santino, Code Enforcement/Abatement Officer, gave the staff report. Ms. Santino stated that Ms. Janell Brooks is seeking a rezone for Lots 20 and 21, in Block 243, City of McAlester, formerly South McAlester, Pittsburg County, State of Oklahoma. She said the Applicant is requesting to rezone of a parcel of property that is 7500 sq. ft. The Land Development Code Section 62-107 (1) (B) states the minimum lot area for rezoning to a C-2 District shall not be less than 50,000 sq. ft. Applicant was informed prior to submitting an application for rezone that they do not qualify per City of McAlester Code.

Ms. Lois Washington, 2008 Cardinal Lane was speaking for Ms. Brooks. She said that Ms. Brooks would like to put a beauty salon and spa in the home located at 804 E. Monroe. Ms. Brooks would not be living in the house and the salon's business hours would be from 9:30 a.m. to 4:30 p.m. Tuesday through Friday. She said that Ms. Brooks will be installing a circle drive so there would not be any traffic interruption on Monroe. There would be parking in the back of the property as well. The beauty salon is located across from the Stipe Center and McAlester Regional Hospital. Her business would tie in with the health center area as Ms. Brooks would be selling wigs to cancer center patients.

After discussion, Commission Member Bolinger explained to Ms. Brooks that the Planning

Commission has to follow the City Ordinances and Codes that are in place. He said the Code states that the minimum lot area for rezoning to a C-2 District shall not be less than 50,000 sq. ft.

A motion made by Commission Member Bolinger and seconded by Commission Member Lewis to deny the rezone as presented.

The vote was 8-0:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Few, Stobaugh, Emmons

Abstained: Eaton

Motion carried.

Commission Member Few left the meeting.

Chairman Emmons asked for a motion to recess the Planning and Zoning Commission Meeting at and open the Board of Adjustments Meeting at 7:40 p.m. A Motion was made by Commission Member Bolinger and seconded by Commission Member Kanard to recess the Planning and Zoning Commission Meeting and open the Board of Adjustments Meeting.

After calling the roll Chairman Emmons stated that a quorum was present. Chairman Emmons asked for a motion to recess the Board of Adjustments and re-open the Planning and Zoning Meeting at 7:42 p.m. Commission Member Kanard made a motion and seconded by Commission Member Stobaugh to recess the Board of Adjustments and reconvene the Planning and Zoning Meeting.

With no further discussion the vote was 7-0 as follows:

AYE: Bollinger, Lewis, Kanard, Moore, Eaton, Stobaugh, Emmons

NAY: None

Motion carried.

**Item 5 Discussion and Action on UP #51 – Use Permitted After Review:
Applicant is requesting a use permitted after review in the Wyandotte
Corridor for medical, office, and retail.**

Jennifer Santino, Code Enforcement/Abatement Officer, gave the staff report. Ms. Santino stated that Mr. Terry English is seeking a use permitted after review for the the Easterly 50 feet of Lot 6 and all of lots 7 and 8, in Block 423, City of McAlester, Formerly South McAlester, Pittsburg County, Oklahoma. Property is located at 713-729 E. Wyandotte. Applicant is requesting use permitted after review in the Wyandotte Corridor on an existing building, therefore no additional site plans were needed.

Mr. English advised the Planning Commission that the building was previously a medical clinic. He said that Caring Hands a medical clinic is wanting to move into the space.

A motion made by Commission Member Bolinger and was seconded by Commission Member Stobaugh to accept the use permitted after review as presented and forward the recommendation to the City Council for Approval.

The vote was 7-0:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Stobaugh, Emmons
Motion carried.

Item 6 Discussion and Action on VE#144 – Request to Close: Applicant is requesting the closing of a sewer easement in the following location: Lots 4, 5, and 6, in Block 19, City of McAlester.

Jennifer Santino, Code Enforcement/Abatement Officer, gave the staff report. Ms. Santino stated that the Applicant Ryan Hackett of Dessert Ridge Investment, Inc. is requesting to vacate (close) a sewer easement in the following location: **Lots 4, 5 and 6, in Block 19, City of McAlester, formerly South McAlester, Pittsburg County, State of Oklahoma.**

Mr. Hackett pointed out that the actual sewer line is not located in the sewer easement and that he is requesting that the easement be changed to show the actual sewer line.

A motion was made by Commission Member Bolinger and was seconded by Commission Member Moore to approve request to vacate easement and forward the recommendation to the City Council for Approval.

The vote was 7-0:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Stobaugh, Emmons
Motion carried.

Item 7 Discussion and Action of Request for Replat: Applicant is requesting a Replat of Lots 4, 5, and 6, Block 19, City of McAlester.

Jennifer Santino, Code Enforcement/Abatement Officer, gave the staff report. Ms. Santino stated that the Applicant Ryan Hackett of Dessert Ridge Investment, Inc. is requesting to vacate (close) a sewer easement in the following location: **Lots 4, 5 and 6, in Block 19, City of McAlester, formerly South McAlester, Pittsburg County, State of Oklahoma.**

Mr. Hackett stated that he is asking for a re-plat of Lots 4, 5, and 6 of Block 19 in order to create additional market rate for rent/sale homes. The current zoning allows for smaller lot sizes than what is currently there and we need to keep the cost of the land down in order to maintain affordability. The current homes that surround the area are also sitting on smaller lot sizes.

There being no further discussion, Commission Member Bollinger made the motion and seconded by Commission Member Moore to accept the Replat as presented and forward the recommendation to the City Council for Approval.

The vote was 6-0 as follows:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Emmons
Absent: Few (Left Meeting for another commitment)
Motion carried.

Item 8 New Business

There was no new business.

Item 9 Staff Report

There was no Commission Report.

Item 10 Commission Report

There was no Commission Report.

Item 11 Adjournment

A motion was made by Commission Member Moore and seconded by Commission Member Bolinger to adjourn the meeting.

There were no objections.

Meeting was adjourned at 8:00 p.m.

Approved: _____
DATE

By: _____
COMMISSIONER



McAlester City Council

AGENDA REPORT

Meeting Date: July 9, 2013
Department: Public Works
John C. Modzelewski, P.E.,
Prepared By: CFM
Date Prepared: July 1, 2013

Item Number: 2
Account Code: _____
Budgeted Amount: _____
Exhibits: _____

Subject

Presentation and discussion of Public Private Partnership opportunity for the Operation and Maintenance of the City of McAlester's Water Treatment Plant.

Recommendation

Discussion, and possible action, to authorize staff to proceed with Request for Qualifications to pursue a Public Private Partnership opportunity for the Operation and Maintenance of the City of McAlester's Water Treatment Plant.

Discussion

A Public Private Partnership provides opportunities for improved treatment plant operations, improved asset management, and cost savings through bulk purchase of chemicals and related items. The presentation will explain the difference between Public Private Partnerships and Privatization and the advantages associated with Public Private Partnerships.

Approved By

	<i>Initial</i>	<i>Date</i>
Department Head	JCM	07/01/13
City Manager	P. Stasiak <i>PJS</i>	07/02/13



McAlester City Council

AGENDA REPORT

Meeting Date: July 9, 2013
Department: Fire Dept.
Prepared By: Brett Brewer, Fire Chief
Date Prepared: July 2, 2013

Item Number: 3
Account Code: _____
Budgeted Amount: _____
Exhibits: 3

Subject

Consider, and act upon, authorizing the Mayor to sign the Proposed Award from the Oklahoma Office of Homeland Security - 2010 Homeland Security Grant Program; Orae Project; #260.113 in the amount of \$2,498.64.

Recommendation

Motion to approve 2010 Homeland Security Grant Program; Orae Project; #260.113 in the amount of \$2,498.64.

Discussion

The 2010 Program is a federally funded grant using money provided to the State of Oklahoma as a part of the FY 210 (FEMA/DHS) Homeland Security Grant Program. Like previous FEMA/DHS/OKOHS grant programs, the 2010 Program is a reimbursement grant. The Fire Department will use the grant award for replacing four (4) gas detectors on the Hazmat Unit.

Attachments:

- 1) Proposed Award Letter (Schedule A)
- 2) Sub-Grantee Award (Schedule B)
- 3) Grant Program Sub-grant Award Terms and Conditions (Schedule 1)

Approved By

Department Head
City Manager

P. Stasiak

Initial

PJS

Date

7/2/13

KIM EDD CARTER
DIRECTOR



MARY FALLIN
GOVERNOR

STATE OF OKLAHOMA
OFFICE OF HOMELAND SECURITY

TO: City of McAlester
Peter Stasiak, City Manager
FROM: Kim Edd Carter, Director
DATE: June 21, 2013
RE: Oklahoma Office of Homeland Security 2010 Homeland Security Grant Program;
Qrae Project; # 260.113

Your agency has been selected to receive \$2,498.64, (the "Proposed Award"), pursuant to the Oklahoma Office of Homeland Security ("OKOHS") fiscal year 2010 Homeland Security Grant Program (the "2010 Program"). Among other initiatives, the 2010 Program provides this funding for the purchase of Qrae's.

In order to facilitate the expeditious acquisition of the Qrae's (the "Equipment"), the City of McAlester hereby assigns the \$2,498.64 to the State of Oklahoma, specifically the Oklahoma Department of Public Safety ("DPS") and OKOHS, to purchase the Equipment, which will be delivered and titled directly to the City of McAlester. We agree to accept title to the Equipment and acknowledge that use of the Equipment is subject to the terms and conditions of the 2010 Program, including but not limited to the requirement to maintain an accurate inventory of the Equipment.

The 2010 Program is a federally funded grant using money provided to the State of Oklahoma as a part of the FY 2010 (FEMA/DHS) Homeland Security Grant Program. Like previous FEMA/DHS/OKOHS grant programs, the 2010 Program is a reimbursement grant. The process requires the following actions (Note 2-5 apply to DPS/OKOHS):

- (1) Acceptance of the terms and conditions of the 2010 Program including but not limited to those noted on the attached Schedule "1";
- (2) Submission of a Budget Detail Worksheet ("BDW") to OKOHS with a list of estimated costs of specific allowable items;
- (3) Receipt of an approval letter from OKOHS with a schedule of approved items. You must have this **OKOHS APPROVAL LETTER IN HAND PRIOR TO EXPENDING FUNDS**;
- (4) After your receipt of the OKOHS Approval Letter, you may purchase approved items in an amount not to exceed the amount of the Proposed Award; and
- (5) Upon receipt of the purchased items, you may submit a Reimbursement Request Form with copies of the associated invoices to OKOHS. (Copies of the Reimbursement Request Form and the BDW are available on the OKOHS website at www.homelandsecurity.ok.gov).

Reimbursement checks are generally mailed to sub grantees by OKOHS within 30 days of receipt of the signed Reimbursement Request Form and associated invoices. If this process will cause a significant hardship, please contact OKOHS for further guidance.

If your organization is willing to accept the Proposed Award subject to all the terms and conditions of the 2010 Program, please so indicate by: (1) affixing the signature of the appropriate chief executive officer (i.e. the chair of the county commissioners, the mayor, the agency director, or the city manager) in the space provided below; and (2) returning an original fully executed copy of this letter and each document listed on Schedule "7" (each of which is included with this award packet) to OKOHS **ON OR BEFORE July 12, 2013** Post Office Box 11415, Oklahoma City, Oklahoma 73136.0415.

Should you have questions or need additional assistance contact Robbie Foster at 405-425-7510 or by e-mail at rfoster@dps.state.ok.us or Christina Neidel at 405-725-7591 or by email at cneidel@dps.state.ok.us.

Thank you for your willingness to participate in this important initiative. We appreciate your efforts to protect our citizens and we look forward to working with you.

Agreed and accepted this ____ day of _____ 2013:

Government/Agency Name: _____

Signature: _____

Printed Name: _____

Title: MAYOR



Oklahoma Office of
Homeland Security
Prevent, Protect, Prepare

P.O. Box 11415
Oklahoma City, OK 73136
(405) 425-7296 Office (405) 425-7295 Fax
www.homelandsecurity.ok.gov

SUB-GRANTEE AWARD

Sub-grantee -- Required for Reimbursement		Original Award Amount	
FEI#	DUNS #	\$2,498.64	
City of McAlester Peter Stasiak, City Manager 28 E. Washington Ave. McAlester, OK 74501		Award Number	
		#260.113	
		Award Effective Date	
		9/17/2010	
Project Period		8/1/2010 – 7/31/2013	
Project Title/IJ		CFDA	
Homeland Security Grant Program Qrae Project/IJ #6		97.073 (OKOHS # 97.073 - 4500)	
Applicable Funds		Region	County
Homeland Security Grant Program FY 2010 (SHSP - Local)		5	Pittsburg
Method of Payment: This is a Reimbursement Grant.		Is Sub-Grantee NIMS Compliant? (Please Check One) YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	
Agency/Jurisdiction Chief Executive Officer Information-Primary Authorized Official City or County Official (Mayor, City Manager, County Commissioner)		Project Contact/ Secondary Authorized Official (If Applicable)	
Title of Primary Authorized Official City Manager		Title of Secondary Authorized Official Fire Chief	
Name Peter Stasiak		Name Brett Brewer	
Telephone 918-423-9300	Fax 918-421-4970	Telephone 918-421-4950	Fax
Email Peter.stasiak@cityofmcalester.com		Email Brett.brewer@cityofmcalster.com	
Signature of Primary Authorized Official: (Required) _____ Date _____		Signature of Secondary Authorized Official: (Required) _____ Date _____	
		Brett Brewer 6-24-2013	
The Primary Authorized Official certifies: <ul style="list-style-type: none">• Legal authorization to accept grants on behalf of the named governmental entity.• Proposed project can be completed by July 31, 2013• Sub-Grantee will comply with all laws, regulations, statutes, assurances, certifications, and other requirements referenced in Schedules A, B and C (if applicable) and Schedules 1-6 each of which is attached hereto.• All submitted data is true and correct to the best of signatory's knowledge.			
Special Conditions			
OKOHS Approving Official Kim Edd Carter Director		OKOHS Contact Information Oklahoma Office of Homeland Security P.O. Box 11415 Oklahoma City, OK 73136-0415	
Signature of OKOHS Approving Official _____		Telephone (405) 425-7296	Fax (405) 425-7295



Oklahoma Office of

Homeland Security

Prevent, Protect, Prepare

GRANT PROGRAM
Sub-grant Award Terms and Conditions

GENERAL AWARD REQUIREMENTS FOR SUB-GRANTEES

Recipients of Oklahoma Office of Homeland Security (“OKOHS”)/Department of Homeland Security (“DHS”)-Federal Emergency Management Administration (“FEMA”) grant funds (“Sub-grantee(s)”) are urged to carefully review and understand all terms and conditions of the award prior to award acceptance. Failure to comply with these terms and conditions may result in disallowance of costs and recovery of funds and/or suspension or termination of funds and/or award.

SUBGRANT TERMS AND CONDITIONS

As a condition of receipt of this grant, the Sub-grantee understands and agrees:

1. To comply with all applicable laws, regulations and the applicable FEMA Grant's Program Guidance (as more fully described below).

All allocations and uses of funds under this grant will be in accordance with the Homeland Security Grant Program Guidelines and Application Kit (or where applicable the Funding Opportunity Announcement), collectively referred to as the ("Program Guidance"). Sub-grantees must familiarize themselves with the requirements and restrictions in the appropriate Program Guidance and Application Kit. All Sub-grantees are assumed to have read, understood, and accepted the Program Guidance.

The following link will provide access to the respective Grant Year's Program Guidance and Application Kits:

[illegible]

A nonexclusive list of regulations commonly applicable to DHS/FEMA grants are listed below, including the guidance:

A. Administrative Requirements:

1. 44 CFR Part 13, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments
2. 2 CFR Part 215, Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations (OMB Circular A-110)
3. 44 CFR, part 10, Environmental Considerations

B. Cost Principles:

1. 2 CFR Part 225, State Local and Indian Tribal Governments (OMB Circular A-87)
2. 2 CFR Part 220, Educational Institutions (OMB Circular A-21)
3. 2 CFR Part 230, Non-Profit Organizations (OMB Circular A-122)
4. Federal Acquisition Regulation Sub-part 31.2, Contracts with Commercial Organizations

C. Audit Requirements:

1. OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations

The Sub-grantee and any further sub-grantee must comply with the most recent updates to the Administrative Requirements, Cost Principles and Audit requirements.

2. That it will not use any federal funds, either directly or indirectly, in support of the enactment, repeal, modification or adoption of any law, regulation or policy, at any level of government, without the express prior written approval of the Oklahoma Office of Homeland Security ("OKOHS") and the Department of Homeland Security ("DHS")/ the Federal Emergency Management Administration ("FEMA").
3. That Sub-grantee shall not undertake any project (which will be funded in full or in part with federal money) having the potential to impact Environment and Historical Preservation (EHP) resources without the prior approval of FEMA's EHP Division. EHP impact includes, but is not limited to, ground disturbance, construction, modification of existing structures, and the purchase and use of sonar equipment. Sub-grantee must comply with all conditions placed on the project as a result of the EHP review. FURTHER, the Sub-grantee shall comply with all applicable Federal, State, and local environment and historic preservation (EHP) requirements and shall provide any information requested by FEMA to ensure compliance with applicable laws including: National Environmental Policy Act, National Historic Preservation Act, Endangered Species

Act, and Executive Orders on Floodplains (11988), Wetlands (11990) and Environmental justice (12898). Failure of the Sub-grantee to meet Federal, State, and local EHP requirements and obtain applicable permits may jeopardize Federal funding. Sub-grantee shall not undertake any project having the potential to impact EHP resources without the prior approval of FEMA, including but not limited to communications towers, physical security enhancements, new construction, and modifications to buildings that are 45 years old or greater. Sub-grantee must comply with all conditions placed on the project as the result of the EHP review. Any change to the approved project scope of work will require re-evaluation for compliance with these EHP requirements. If ground disturbance activities occur during project implementation, the Sub-grantee must ensure monitoring of ground disturbance and if any potential archeological resources are discovered, the Sub-grantee will immediately cease construction in that area and notify FEMA and the appropriate State Historic Preservation Office. Any construction activities that have been initiated prior to the full environmental and historic preservation review could result in non-compliance finding. For your convenience, here is the screening form link: (The Screening Form is available at: (www.fema.gov/doc/government/grant/bulletins/info329_final_screening_memo.doc)). For these types of projects, sub-grantees must complete the FEMA EHP Screening Form (OMB Number 1660-0115/FEMA Form 024-0-01) and submit it to OKOHS, with all supporting documentation. After OKOHS review, OKOHS will submit all documents to the GPD EHP team at (GPD.EHPinfo@fema.dhs.gov) for review and approval. Sub-grantees should submit the FEMA EHP Screening Form for each project as soon as possible following receipt of their grant award.

4. That when implementing OKOHS/DHS/FEMA funded activities, the Sub-grantee will comply with all federal civil rights laws, to include Title VI of the Civil Rights Act, as amended. The Sub-grantee is required to take reasonable steps to ensure Limited English Proficient ("LEP") persons have meaningful access to language assistance services regarding the development of proposals and budgets and conducting OKOHS/DHS/FEMA funded activities.
5. That OKOHS/DHS/FEMA reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use, and authorize others to use, for Federal government purposes: (a) the copyright in any work developed under an award or sub-award; and (b) any rights of copyright to which a Sub-grantee purchases ownership with Federal support. The Sub-grantee agrees to consult with OKOHS/DHS/FEMA regarding the allocation of any intellectual property rights that arise from, or are purchased with, this funding.
6. That all publications created with funding under this grant shall prominently contain the following statement: *"This Document was prepared under a grant from the Federal Emergency Management Administration (FEMA) Grant Programs Directorate (GPD), U.S. Department of Homeland Security (DHS). Points of view or opinions expressed in this document are those of the authors and do not necessarily represent the official position or policies of FEMA/GPD or DHS."*
7. That, when practicable, any equipment purchased with grant funding shall be prominently marked as follows: *"Purchased with funding from the Oklahoma Office of Homeland Security with funds provided by the U.S. Department of Homeland Security."* Please contact OKOHS when equipment is received to request appropriate labels.
8. To cooperate with any assessments, national evaluation efforts, or information or data collection requests related to any activities within this project.
9. That federal funds expended in connection with this award will be used to supplement, but not supplant, state or local funds.
10. That the use of all funds under this grant must support the goals and objectives included in the State Homeland Security Strategy and/or the Urban Area Homeland Security Strategy. Allocations and use of grant funds must also support the Investments identified in an Investment Justification, which may have been submitted as part of OKOHS's application for federal funding.
11. That any funds utilized to establish or enhance state and local fusion centers must support the development of a statewide fusion process that corresponds with the Global Justice/Homeland Security Advisory Council (HSAC) Fusion Center Guidelines and achievement of a baseline level of capability as defined by the Fusion Capability Planning Tool.

12. That Homeland Security Information Network (HSIN) must serve as the primary vehicle by which information /intelligence is shared with DHS/FEMA as part of the fusion process across the Federal, State, local, regional, tribal and private sectors. All statewide information sharing and analysis centers utilizing HSGP funds must establish connectivity with the DHS/FEMA Homeland Security Operations Center (HSOC) via the HSIN to comply with FEMA policy legislation as outlined in the Program Guidance.
13. To utilize grant funds for the furthering of the OKOHS State Strategy, the National Preparedness Guidelines and the DHS/FEMA defined National Priorities.
14. To leverage all available funding and resources when possible in order to support and sustain efforts and to maximize the effectiveness of the OKOHS/FEMA funding.
15. To comply with any National Incident Management (NIMS) Compliance requirements as set forth by OKOHS or the NIMS Integration Center, including but not limited to ongoing NIMS compliance by the subgrantee jurisdiction during the term of the grant.
16. That this project will be administered by the local or state governmental entity having authority and responsibility for its completion and that such entity will ensure institutional, managerial and financial capability for proper planning, management and completion of approved projects.
17. To comply with all laws, regulations, statutes, assurances and certifications contained or referred to in this grant award/application and other relevant federal and /or state directives. All project activities should be consistent with federal, state, and local policies, regulations, procedures and laws.
18. That the projects funded with this grant should demonstrate multi-disciplinary coordination of response efforts, including but not limited to: emergency medical services, emergency management, fire service, law enforcement, hazardous materials, public works, public health, health care facilities, military, government administration, private sector, citizens and communications.
19. That interoperability of equipment and establishment of multi-regional mutual aid is strongly encouraged and in some cases may be mandated by OKOHS.
20. That personnel must be properly trained to use the equipment purchased under this grant program in accordance with all applicable federal, state and local laws including, but not limited to regulations established by EPA, OSHA, and NFPA. By signing and submitting sub-grant application and acceptance documents, the authorized official certifies employees have received or will receive required training prior to utilizing equipment purchased with OKOHS/FEMA funding.
21. To maintain a state of readiness for equipment and personnel to respond to a terrorist incident.
22. That any CERT training funded with OKOHS/FEMA grant funds will be conducted by OKOHS approved trainers.
23. That any exercise conducted with OKOHS grant funds must have the prior written approval of OKOHS.
24. That any exercise conducted with OKOHS grant funds must comply with HSEEP and NIMS requirements. These requirements can be found at <http://hseep.dhs.gov>. Exercise documentation, including but not limited to: objectives, after-action reports, and participants, must be coordinated with and submitted to the OKOHS Training and Exercise Coordinator.
25. That the expenditure of \$500,000 or more in Federal funds (from all sources) in a fiscal year requires an organization-wide financial and compliance audit report. The audit must be performed in accordance with the Government Accountability Office Government Auditing Standards, located at <http://www.gao.gov> and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Sub-grantees are required to submit to OKOHS (within 90 days of completion) a copy of any audit report received by Sub-grantee in connection with any audit performed by or as a requirement of any regulatory body (federal, state or local) that is conducted with respect to activity taking place during the term of the OKOHS/DHS/FEMA Award. OKOHS will review the audit and determine if any findings exist which may impact the ability of the Sub-grantee to continue to receive funds pursuant to this grant or future funding

opportunities.

26. To comply with monitoring requirements of OKOHS including but not limited to, a willingness to provide reasonable access to relevant records and equipment and maintenance of an up to date equipment inventory.
27. That any records relevant to the grant must be retained for at least three years following the termination date (which may be extended beyond the scheduled termination date) of the OKOHS/DHS/FEMA grant (OKOHS will provide the notice on the OKOHS web site under the grants section regarding the start date of this three year period). In accordance with the requirements set forth in the OMB administrative requirements circulars, all financial records, supporting documents, statistical records, and all other records pertinent to the award shall be retained by each organization for at least three years from the date of submission of the final expenditure report. In cases where litigation, a claim, or an audit is initiated prior to expiration of the three year period, records must be retained until completion of the action and resolution of issues or the end of the three year period, whichever is later. Retention is required for purposes of Federal examination and audit. Records may be retained in an electronic format.
28. That Sub-grantee is prohibited from commingling funds on either a program-by-program or a project-by-project basis without prior written approval of OKOHS and DHS/FEMA. The accounting systems of all Sub-grantees must ensure that agency funds are not commingled with funds from other awards or Federal agencies. Each award must be accounted for separately by the awarding agency.
29. To take every precaution to avoid the appearance of a conflict of interest. Violations of the conflict of interest standards may result in criminal, civil, or administrative penalties. In the use of agency project funds, officials or employees of State or local units of government shall avoid any action that might result in, or create the appearance of:
 - Using his or her official position for private gain;
 - Giving preferential treatment to any person;
 - Losing complete independence or impartiality;
 - Making an official decision outside official channels; or
 - Affecting adversely the confidence of the public in the integrity of the government or the program. For example, where a Sub-grantee of federal funds makes sub-awards under any competitive process and an actual conflict or an appearance of a conflict of interest exists, the person for whom the actual or apparent conflict of interest exists should recuse himself or herself not only from reviewing the application for which the conflict exists, but also from the evaluation of all competing applications.
30. That all grant funds must be obligated and expended within the project period set forth on the Sub-grantee award document (Schedule B) unless OKOHS provides a written exception or extension to the Sub-grantee. Any funds not properly obligated and expended by the Sub-grantee during the project period will lapse and revert to OKOHS for potential reallocation to other allowable uses in accordance with DHS/FEMA guidelines.
31. To notify OKOHS in writing of any events or changes requiring adjustment in the grant award. Examples include but are not limited to: changes of address, project manager, project site, budget categories or scope.
32. To follow the Procurement Standards outlined in the DHS/FEMA Financial Management Guide. These standards require that Sub-grantees use their own procurement procedures and regulations, provided that the procurement conforms to applicable Federal law and standards.
33. That all procurement transactions, whether negotiated or competitively bid and without regard to dollar value, shall be conducted in a manner that will provide maximum open and free competition.
34. That all sole-source procurements (including contracts properly bid for which only one entity submits a qualified bid) in excess of \$100,000 must receive prior written approval of OKOHS. Written justification must be provided for sole source procurement and should include a description of the program and what service or product is being contracted, an explanation of why it is necessary to contract non-competitively, time constraints and any other pertinent information.
35. That all circumstances requiring disposition or change to intended use of equipment purchased with OKOHS funds should be reported on an Equipment Disposition Form (available on the OKOHS website) and filed with OKOHS within 30 days following such change or disposition. Any ownership transfer (from one jurisdiction to another) of tangible or intangible items purchased with OKOHS funding requires pre-approval from OKOHS and acceptance of OKOHS standard terms and

conditions by the acquiring entity. OKOHS consent will not be unreasonably withheld.

36. That during the term of this grant and for three years following termination of the OKOHS/DHS/FEMA grant (which may be extended beyond the date set in the attached Sub-Grantee Award document) the Sub-grantee is responsible for proper reporting, for maintenance of an inventory tracking system and for assuring the location of all equipment purchased through this grant. A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years. Inventory records must be maintained which include:
1. Description of the property;
 2. Serial number or other identification number;
 3. Source of the property;
 4. Identification of title holder;
 5. Acquisition date;
 6. Cost of the property;
 7. Percentage of Federal participation in the cost of the property;
 8. Location of the property;
 9. Use and condition of the property; and
 10. Disposition data, including the date of disposal and sale price.
37. That only equipment that is **approved in writing** by OKOHS will be permitted to be purchased with DHS/FEMA funds. As a general rule, equipment purchased with OKOHS funding must be allowable (for the respective grant program funds to be used) in accordance with DHS's "Authorized Equipment List".
38. That only food and beverages **approved in writing** by OKOHS in advance will be permitted to be purchased with DHS/FEMA funds. As a general rule, FEMA and OKOHS discourage the use of federal funding for food and beverages. While there may be limited exceptions made to this rule that apply solely to working lunches, a strict reasonableness standard must be maintained.
39. That use of DHS/FEMA funding to pay for speaker fees **must be approved in writing** by OKOHS in advance any time the speaker is paid in excess of \$100 per hour for services.
40. To be responsible for replacing or repairing equipment that is lost, stolen, damaged, or destroyed as a result of Sub-grantee's willful or negligent action. Property with a cost in excess of \$10,000 that is purchased using OKOHS/DHS/FEMA funding must be insured for casualty loss unless a written exception to this requirement is permitted by OKOHS. Property losses should be reported to OKOHS immediately.
41. That requested or relevant training records of Sub-grantees must be submitted to the OKOHS Training and Exercise Coordinator.
42. To comply with grant closeout procedures established by OKOHS.
43. To provide quarterly status reports (as required by OKOHS), information and other documentation as may be required by OKOHS.
44. To provide DHS/FEMA and OKOHS reasonable assistance with assessments conducted to (a) determine the existing level of preparedness within the subrecipient's jurisdiction; (b) determine the homeland security related needs of the jurisdiction, and (b) measure progress in achieving state and federal preparedness goals.
45. That Costs charged to this project are subject to advance written approval by OKOHS.
46. That consistent with Section 163 of the Continuing Appropriations Resolution, 2010, Division B of Pub. L. No 111-68 ("CR") no federal funding will be made available directly or indirectly to the Association of Community Organizations for Reform Now (ACORN). Any questions in this regard should be directed to OKOHS.
47. That Protected Critical Infrastructure Information (PCII) will be treated in a manner consistent with the *Critical Infrastructure Information Act of 2002* (Public Law 107-296) (CII Act), which created a new framework, that enables State and local jurisdictions and members of the private sector to voluntarily submit sensitive information regarding critical

infrastructure to DHS/FEMA. The Act also provides statutory protection for voluntarily shared CII from public disclosure and civil litigation. If validated as PCII, these documents can only be shared with authorized users who agree to safeguard the information. PCII accreditation is a formal recognition that the covered government entity has the capacity and capability to receive and store PCII. DHS encourages all SAAs to pursue PCII accreditation to cover their State government and attending local government agencies. Accreditation activities include signing a memorandum of agreement (MOA) with DHS, appointing a PCII Officer, and implementing a self inspection program.

48. That where practicable, individuals with disabilities will be integrated into the Sub-grantee's emergency preparedness planning activity consistent with Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination against people with disabilities in all aspects of emergency mitigation, planning, response, and recovery by entities receiving funds from DHS/FEMA. In addition, and consistent with Executive Order 13347, *Individuals with Disabilities in Emergency Preparedness* signed in July 2004, the Sub-grantee will encourage consideration of the needs of individuals with disabilities served by State, local, and tribal governments in emergency preparedness planning.
49. That there will not be a duplication of any federal assistance, per Circular A-87, Basic Guidelines Section C.3 (c), which states: Any cost allocable to a particular Federal award or cost objective under the principles provided for in this Circular may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by law or terms of the Federal awards, or for other reasons. However, this prohibition would not preclude governmental units from shifting costs that are allowable under two or more awards in accordance with existing program agreements.
50. That the Sub-grantee will not participate in or knowingly ignore, aid or abet illegal Trafficking in Persons [as more fully described in the Trafficking Victims Protection Act of 2000 ("TVPA"), as amended (22 U.S.C. 7104(g))] in any way whether directly or indirectly (through the illegal activity of an employee, subcontractor or vendor of the Sub-grantee). The Sub-grantee must inform OKOHS immediately upon receipt of any information received from any source alleging a violation of the prohibitions associated with human trafficking. FEMA and OKOHS reserve the right to terminate unilaterally any grant awarded to an entity in violation of the TVPA, as amended from time to time.
51. That the Sub-grantee will obtain a Data Universal Numbering System ("DUNS") Number (a nine digit number established and assigned by Dun and Bradstreet, Inc. ("D&B") to uniquely identify business entities) for its organization and provide that number to OKOHS as a precondition of funding reimbursement under the grant. A DUNS number may be obtained from D&B by telephone (currently 866.705.5711) or via the Internet at <http://dunbradstreet.com/webdun>

OKOHS Contact Information

Oklahoma Office of Homeland Security
PO Box 11415; Oklahoma City, OK 73136-0415
(405) 425-7296 telephone
(405) 425-7295 fax
Website: <http://www.homelandsecurity.ok.gov>

Applicable Laws, Regulations, and Guidance Documents

Sub-grantee should review and comply with all local, state, federal statutes, regulations, policies, guidelines and requirements including, but not limited to:

- Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. 2000 et seq.
- Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794
- Title IX of the Education Amendments of 1972, as amended, 20 U.S.C 1681 et seq.
- The Age Discrimination Act of 1975, as amended, 20 U.S.C. 6101 et seq.

- The Department of Homeland Security Appropriations Act of 2007
- Homeland Security Act of 2002
- 28 CFR Part 67, *Government-wide Debarment and Suspension (Non-procurement)*,
<http://www.gpoaccess.gov/cfr/index.html>
- 6 CFR Part 9, *New Restrictions of Lobbying*, <http://www.gpoaccess.gov/cfr/index.html>
- 28 CFR Part 83, *Government-wide Requirements for Drug-free Workplace (Grants)*,
<http://www.gpoaccess.gov/cfr/index.html>
- DHS/FEMA Financial Guide at <http://www.dhs.gov/eis/brn/sect/finance/financialmanagement/finmg.pdf>
- Code of Federal Regulations, Title 48 Federal Regulations systems, Part 31, *Contract Cost Principles and Procedures* – also 48 CFR parts 30 and 31
- OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, at
<http://www.whitehouse.gov/omb/circulars/index.html>
- OMB Circular A-102, *Grants and Cooperation Agreements with State and Local Governments*, at
<http://www.whitehouse.gov/omb/circulars/index.html>
- OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, at
<http://www.whitehouse.gov/omb/circulars/index.html>
- OMB Circular A-110, *Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations*, at
<http://www.whitehouse.gov/omb/circulars/index.html>
- OMB Circular A-21, *Cost Principles for Educational Institutions*, at
<http://www.whitehouse.gov/omb/circulars/index.html>
- OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, at
<http://www.whitehouse.gov/omb/circulars/index.html>
- OSHA and NFPA Training Requirements <http://www.osha.gov/> <http://www.nfpa.org/Codes/>
- 44 CFR Part 13, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments
- In accordance with the *Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009* (Public Law 110-329), grant funds must comply with the following two requirements: None of the funds made available shall be used in contravention of the Federal buildings performance and reporting requirements of Executive Order 13123, part 3 of title V of the National Energy Conservation Policy Act (42 USC 8251 et. Seq.), or subtitle A of title I of the Energy Policy Act of 2005 (including the amendments made thereby).
- None of the funds made available shall be used in contravention of section 303 of the Energy Policy Act of 1992 (42 USC13212).

Approval Process:

1. Sub-grantee should select items for purchase that are within the scope of the Project Justification Plan (if applicable) and that are included on the Authorized Equipment List (“AEL”), which can be found at the Responder Knowledge Base website (www.rkb.org).
2. Sub-grantee should then submit to OKOHS a Budget Detail Worksheet (“BDW”), which can be found under the forms page of the Grants section of the OKOHS website (www.homelandsecurity.gov). The BDW is the Sub-grantee’s list of requested items for which OKOHS’s written approval is requested. If a portion of the costs will be paid with local funds, indicate total cost charged to grant. If technical assistance is needed from OKOHS, please so note on the BDW. While the amount of the grant is fixed and cannot be increased, Sub-grantees are encouraged to submit a comprehensive list of items that may be purchased (EVEN IF THE ESTIMATED COST EXCEEDS THE AMOUNT OF THE GRANT). The amount of OKOHS approvals may well exceed the amount of the grant, which will permit greater flexibility in the Sub-grantee’s selection process and lessen the likelihood of multiple BDW submissions.
3. **PLEASE NOTE** that grant funds may be used **only for items that are preapproved by OKOHS** by written notice addressed to the Sub-grantee. With some limited exceptions, items of equipment must be identified in the AEL as an allowable purchase using the designated grant program’s funding.
4. Upon receipt of OKOHS’s written approval, the Sub-grantee may initiate procurement of approved items.
5. Upon receipt of the approved item, the Sub-grantee must submit a copy of the invoice supporting the acquisition

together with a Reimbursement Request Form (this form is also available on the OKOHS website) that has been signed by an authorized official. For each item, include date of purchase, quantity, total cost, Sub-grantee entity, and discipline. The authorized official's signature represents certification that the item has been received and that payment has been (or will be) made to the vendor in accordance with the terms of the invoice.

6. OKOHS reimbursement of the Sub-grantee's expenditure will generally take approximately 30 days. If this 30 day time period will cause hardship, the reimbursement process can usually be expedited at the request of the Sub-grantee.
7. Purchases must be completed within the applicable project period.

Sanctions

If a Sub-grantee materially fails to comply with the terms and conditions of an award, OKOHS or DHS/FEMA may take one or more of the following actions, as appropriate in the circumstances:

1. Temporarily withhold cash payments pending correction of the deficiency by the Sub-grantee.
2. Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
3. Wholly or partly suspend or terminate the current award.
4. Withhold future awards for the project or program.
5. Pursue any other legal remedy that may be available.
6. Require reassignment any tangible or intangible items purchased with OKOHS grant funding to another local jurisdiction.

Prior to taking action, OKOHS will provide the Sub-grantee reasonable notice of intent to impose measures and will make efforts to resolve the problem informally.

Unauthorized Expenditures

Examples of **unauthorized expenditures** include but are not limited to:

- Hiring of Public Safety Personnel
- Construction and Renovation
- General use equipment including but not limited to items jurisdictions would normally be expected to have.
- Items not pre-approved by OKOHS
- Exercise related costs for non expendable equipment items (e.g., electronic messaging signs) and/or vehicle/emergency response apparatus costs (other than the cost of fuel/gasoline, which is allowable)

Authorized Official

Mayor, City Manager, County Commissioner, Board or Trust Director

Authorized Official

Date



McAlester City Council

AGENDA REPORT

Meeting Date: July 9, 2013
Planning & Community
Department: Development
Prepared By: Jennifer Santino, Code
Enforcement Officer
Date Prepared: June 21, 2013

Item Number: 4
Account Code: N/A
Budgeted Amount: N/A
Exhibits: (3) See Below

Subject

Consider and act upon a "Use Permitted After Review" for medical, office, and retail use.

Recommendation

Motion to approve and act upon a "Use Permitted After Review" for medical, office, and retail use and authorizing the Mayor to sign the documents.

Discussion

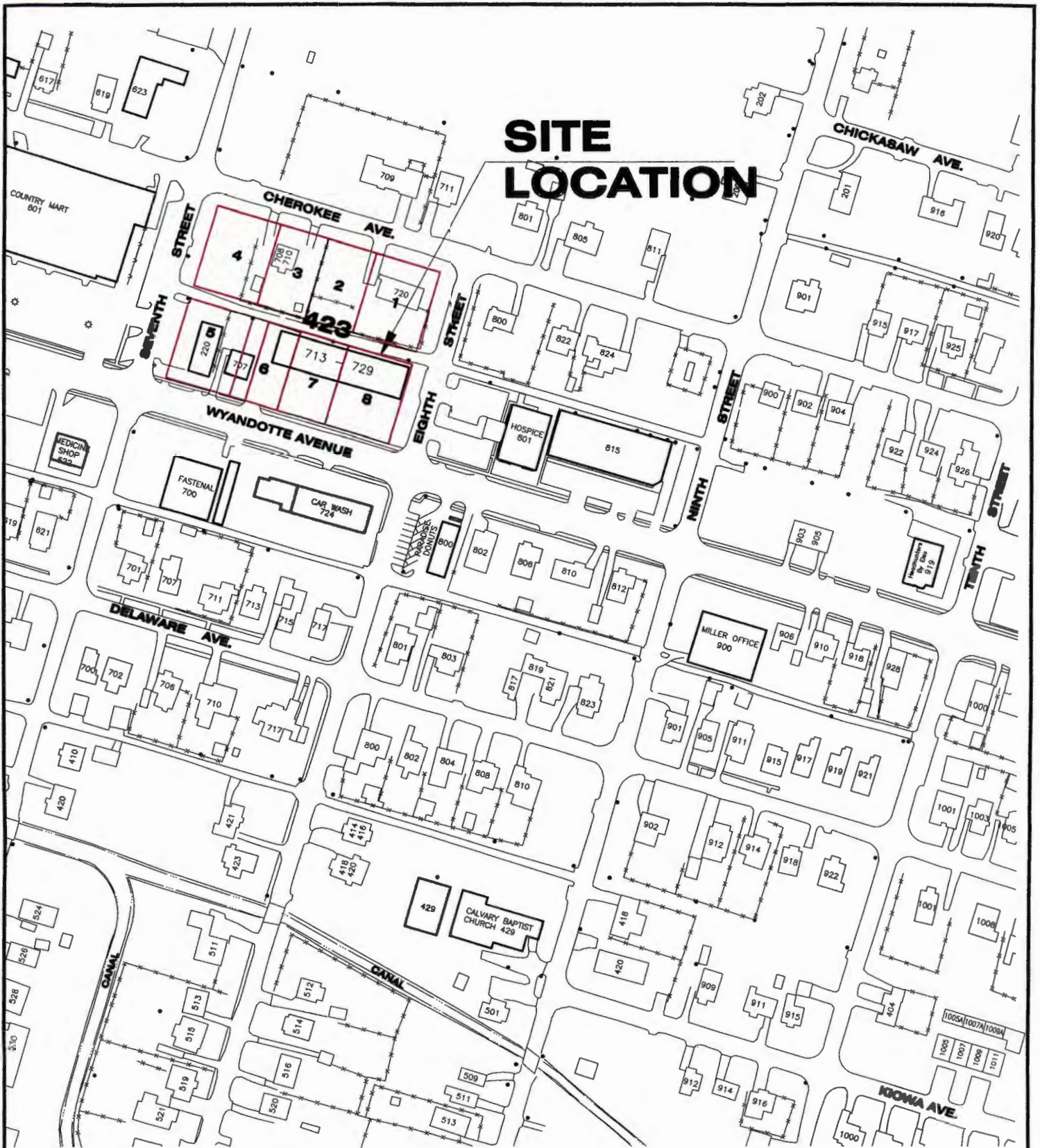
The applicant (Terry English) is requesting a Use Permitted After Review for medical, office, and retail use at 713-729 E. Wyandotte, an existing building the Wyandotte Corridor. The McAlester Planning and Zoning Commission met on June 18, 2013 and voted unanimously to recommend approval of the use permit. The following documents are attached for reference:

1. Map of the site location
2. Planning and Zoning minutes
3. Planning and Zoning staff report

Approved By

	Initial	Date
Department Head		
City Manager	P. Stasiak	7/2/13

SITE LOCATION



SCALE: 1" = 200'



Prepared By:
City of McAlester
Engineering Department

McAlester Planning Commission Minutes

Tuesday, June 18, 2013

City Council Chambers

6:30 PM

Item 1 Call to Order and Roll Call

Chairman Emmons called the meeting to order at 6:30 PM. Roll call was taken and a quorum was represented.

Commissioners Present: 8

Mark Emmons

Harvey Bollinger

Karen Stobaugh

Denise Lewis

Susan Kanard

Primus Moore

Ross Eaton

Justin Few

Commissioners Absent: 2

John McNally

Karl Scifres

Item 2 Approval of the Minutes from January 15, 2013

A motion made by Commission Member Eaton was seconded by Commission Member Moore to accept the minutes as written.

The vote was 8-0:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Few, Stobaugh, Emmons

Motion carried.

GENERAL BUSINESS:

Item 3 Discussion and Action of Request for Rezone: Applicant is requesting a change in zoning from R-1B (Single Family Residential District) to C-5 (Highway Commercial District)

Jennifer Santino, Code Enforcement/Abatement Officer, gave the staff report. Ms. Santino stated that Mr. Harlan Heinicke is seeking a rezone beginning at the Northeast Corner of Lot 1, in Block 139; Thence Southwesterly along the South Line of Lot 1, Block 139 to the extended West Line of 4th Street; Thence South along the extended West Line of 4th Street to the North Line of Mill Avenue and the South Line of the Railroad Right of Way; Thence Northeasterly along the North Line of Mill Avenue and the South Line of the Railroad Right-of-Way to the Southwest Corner of Lot 1, in Block 138; Thence continuing Northeasterly along the North Line of Block 138 and Block 137 and Block 136 to a point which is 10 feet West of the Northeast Corner of Lot 2, in Block 136; Thence West in a straight line to the Northeast Corner of Lot 1, in Block 139, along the South Line of Krebs Branch of the MK&T Railroad; Thence Southwesterly along the South Line of Lot 1, in Block 139 to the point of beginning; and Lot 1 and the Easterly 30 feet of Lot 2, in Block 139; and Lot 3, in Block 137; All in the City of McAlester, now known as North McAlester, Pittsburg County, State of Oklahoma.

She stated that Staff recommends the re-zone with the condition that the entrance be moved from Mill Street to Fourth Street and that the Applicant put in a solid screen next to residential areas.

Mr. Heinicke stated that he had thought this piece of land had already been rezoned until he spoke with the City of McAlester Codes Department. The buildings that would be constructed on the property would be used for recreation vehicles and boat storage.

Billy Coop, 415 E. Park spoke in favor of the rezone. He said that he has a lot next to this area and Mr. Heinicke has always kept his property mowed and looking nice. He mentioned that the property was not maintained before Mr. Heinicke purchased the property and that he has done a great job cleaning up the lot.

In opposition were Mr. Frank Tedrick, 402 E. Mill spoke against the rezone. He said that his property abuts the requested area and feels like this would bring down the value of his home. Mr. O.J. Rhone's mother lives at 510 E. Mill. He believed that this was a safety issue and doesn't want it located in the neighborhood. Mr. Cory Kuykendall reinstated that this was a safety issue for the children. Ms. Brenda Dominic 1501 N. 5th commented that she's afraid the storage units will not be maintained and the grass mowed. Commissioner Lewis noted that it sounded like the property was not maintained before Mr. Heinicke purchased it. Mr. Heinicke specified that his unit will be aesthetically pleasing to the neighborhood. He passed out a brochure of buildings that he would using.

After further discussion, a motion was made by Commission Member Kanard and seconded by Commission Member Few to table the item for more review until the next meeting.

The vote was 8-0:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Few, Stobaugh, Emmons

Motion carried.

Item 4 Discussion and Action of Request for Rezone: Applicant is requesting a change in zoning from R-1B (Single Family Residential District) to C-2 (Neighborhood Convenience District)

Jennifer Santino, Code Enforcement/Abatement Officer, gave the staff report. Ms. Santino stated that Ms. Janell Brooks is seeking a rezone for Lots 20 and 21, in Block 243, City of McAlester, formerly South McAlester, Pittsburg County, State of Oklahoma. She said the Applicant is requesting to rezone of a parcel of property that is 7500 sq. ft. The Land Development Code Section 62-107 (1) (B) states the minimum lot area for rezoning to a C-2 District shall not be less than 50,000 sq. ft. Applicant was informed prior to submitting an application for rezone that they do not qualify per City of McAlester Code.

Ms. Lois Washington, 2008 Cardinal Lane was speaking for Ms. Brooks. She said that Ms. Brooks would like to put a beauty salon and spa in the home located at 804 E. Monroe. Ms. Brooks would not be living in the house and the salon's business hours would be from 9:30 a.m. to 4:30 p.m. Tuesday through Friday. She said that Ms. Brooks will be installing a circle drive so there would not be any traffic interruption on Monroe. There would be parking in the back of the property as well. The beauty salon is located across from the Stipe Center and McAlester Regional Hospital. Her business would tie in with the health center area as Ms. Brooks would be selling wigs to cancer center patients.

After discussion, Commission Member Bolinger explained to Ms. Brooks that the Planning

Commission has to follow the City Ordinances and Codes that are in place. He said the Code states that the minimum lot area for rezoning to a C-2 District shall not be less than 50,000 sq. ft.

A motion made by Commission Member Bolinger and seconded by Commission Member Lewis to deny the rezone as presented.

The vote was 8-0:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Few, Stobaugh, Emmons

Abstained: Eaton

Motion carried.

Commission Member Few left the meeting.

Chairman Emmons asked for a motion to recess the Planning and Zoning Commission Meeting at and open the Board of Adjustments Meeting at 7:40 p.m. A Motion was made by Commission Member Bolinger and seconded by Commission Member Kanard to recess the Planning and Zoning Commission Meeting and open the Board of Adjustments Meeting.

After calling the roll Chairman Emmons stated that a quorum was present. Chairman Emmons asked for a motion to recess the Board of Adjustments and re-open the Planning and Zoning Meeting at 7:42 p.m. Commission Member Kanard made a motion and seconded by Commission Member Stobaugh to recess the Board of Adjustments and reconvene the Planning and Zoning Meeting.

With no further discussion the vote was 7-0 as follows:

AYE: Bollinger, Lewis, Kanard, Moore, Eaton, Stobaugh, Emmons

NAY: None

Motion carried.

**Item 5 Discussion and Action on UP #51 – Use Permitted After Review:
Applicant is requesting a use permitted after review in the Wyandotte
Corridor for medical, office, and retail.**

Jennifer Santino, Code Enforcement/Abatement Officer, gave the staff report. Ms. Santino stated that Mr. Terry English is seeking a use permitted after review for the the Easterly 50 feet of Lot 6 and all of lots 7 and 8, in Block 423, City of McAlester, Formerly South McAlester, Pittsburg County, Oklahoma. Property is located at 713-729 E. Wyandotte. Applicant is requesting use permitted after review in the Wyandotte Corridor on an existing building, therefore no additional site plans were needed.

Mr. English advised the Planning Commission that the building was previously a medical clinic. He said that Caring Hands a medical clinic is wanting to move into the space.

A motion made by Commission Member Bolinger and was seconded by Commission Member Stobaugh to accept the use permitted after review as presented and forward the recommendation to the City Council for Approval.

The vote was 7-0:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Stobaugh, Emmons
Motion carried.

Item 6 Discussion and Action on VE#144 – Request to Close: Applicant is requesting the closing of a sewer easement in the following location: Lots 4, 5, and 6, in Block 19, City of McAlester.

Jennifer Santino, Code Enforcement/Abatement Officer, gave the staff report. Ms. Santino stated that the Applicant Ryan Hackett of Dessert Ridge Investment, Inc. is requesting to vacate (close) a sewer easement in the following location: **Lots 4, 5 and 6, in Block 19, City of McAlester, formerly South McAlester, Pittsburg County, State of Oklahoma.**

Mr. Hackett pointed out that the actual sewer line is not located in the sewer easement and that he is requesting that the easement be changed to show the actual sewer line.

A motion was made by Commission Member Bolinger and was seconded by Commission Member Moore to approve request to vacate easement and forward the recommendation to the City Council for Approval.

The vote was 7-0:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Stobaugh, Emmons
Motion carried.

Item 7 Discussion and Action of Request for Replat: Applicant is requesting a Replat of Lots 4, 5, and 6, Block 19, City of McAlester.

Jennifer Santino, Code Enforcement/Abatement Officer, gave the staff report. Ms. Santino stated that the Applicant Ryan Hackett of Dessert Ridge Investment, Inc. is requesting to vacate (close) a sewer easement in the following location: **Lots 4, 5 and 6, in Block 19, City of McAlester, formerly South McAlester, Pittsburg County, State of Oklahoma.**

Mr. Hackett stated that he is asking for a re-plat of Lots 4, 5, and 6 of Block 19 in order to create additional market rate for rent/sale homes. The current zoning allows for smaller lot sizes than what is currently there and we need to keep the cost of the land down in order to maintain affordability. The current homes that surround the area are also sitting on smaller lot sizes.

There being no further discussion, Commission Member Bollinger made the motion and seconded by Commission Member Moore to accept the Replat as presented and forward the recommendation to the City Council for Approval.

The vote was 6-0 as follows:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Emmons
Absent: Few (Left Meeting for another commitment)
Motion carried.

Item 8 New Business

There was no new business.

Item 9 Staff Report

There was no Commission Report.

Item 10 Commission Report

There was no Commission Report.

Item 11 Adjournment

A motion was made by Commission Member Moore and seconded by Commission Member Bolinger to adjourn the meeting.

There were no objections.

Meeting was adjourned at 8:00 p.m.

Approved: _____
DATE

By: _____
COMMISSIONER

PLANNING & ZONING COMMISSION
STAFF REPORT
June 18, 2013

To: McAlester Planning & Zoning Commission
From: Peter Stasiak
Date: June 13, 2013

Case: UP # 51 - Use Permitted After Review – Medical, Office, Retail

APPLICANT(S): Terry English
P. O. Box 3484
McAlester, OK 74502

ZONING DISTRICT: R-1B (Single-Family Residential)
Wyandotte Corridor

LEGAL DESCRITPION: The Easterly 50 feet of Lot 6 and all of lots 7 and 8, in Block 423, City of McAlester, Formerly South McAlester, Pittsburg County, Oklahoma.

LOCATION: 713-729 E. Wyandotte.

GENERAL DESCRIPTION: Applicant is requesting a use permitted after review for a Medical, Office, Retail.

PUBLICATION:

McAlester News Capital (Publication)	June 2, 2013
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PROPERTY OWNER NOTIFICATION:

Property Owners within 300 feet	31
Notification receipts received	27
Notification letters returned unclaimed	2
Notification letters still out	2

ATTACHMENTS:

Map of Site Location	Attached
Survey of Existing Building	Attached

STAFF NOTE:

Applicant is requesting use permitted after review in the Wyandotte Corridor on an existing building, therefore no additional site plans were needed.



McAlester City Council

AGENDA REPORT

Meeting Date:	July 9, 2013	Item Number:	5
Department:	Planning & Community Development	Account Code:	N/A
Prepared By:	Jennifer Santino, Code Enforcement Officer	Budgeted Amount:	N/A
Date Prepared:	June 21, 2013	Exhibits:	(6) See Below

Subject

Consider and act upon the closing of a sewer easement in the following location: Lots 4, 5, and 6, in Block 19, City of McAlester, formerly South McAlester, Pittsburg County, State of Oklahoma.

Recommendation


Motion to approve and act upon the closing of a sewer easement in the following location: Lots 4, 5, and 6, in Block 19, City of McAlester, formerly South McAlester, Pittsburg County, State of Oklahoma and authorizing the Mayor to sign the attached Ordinance.

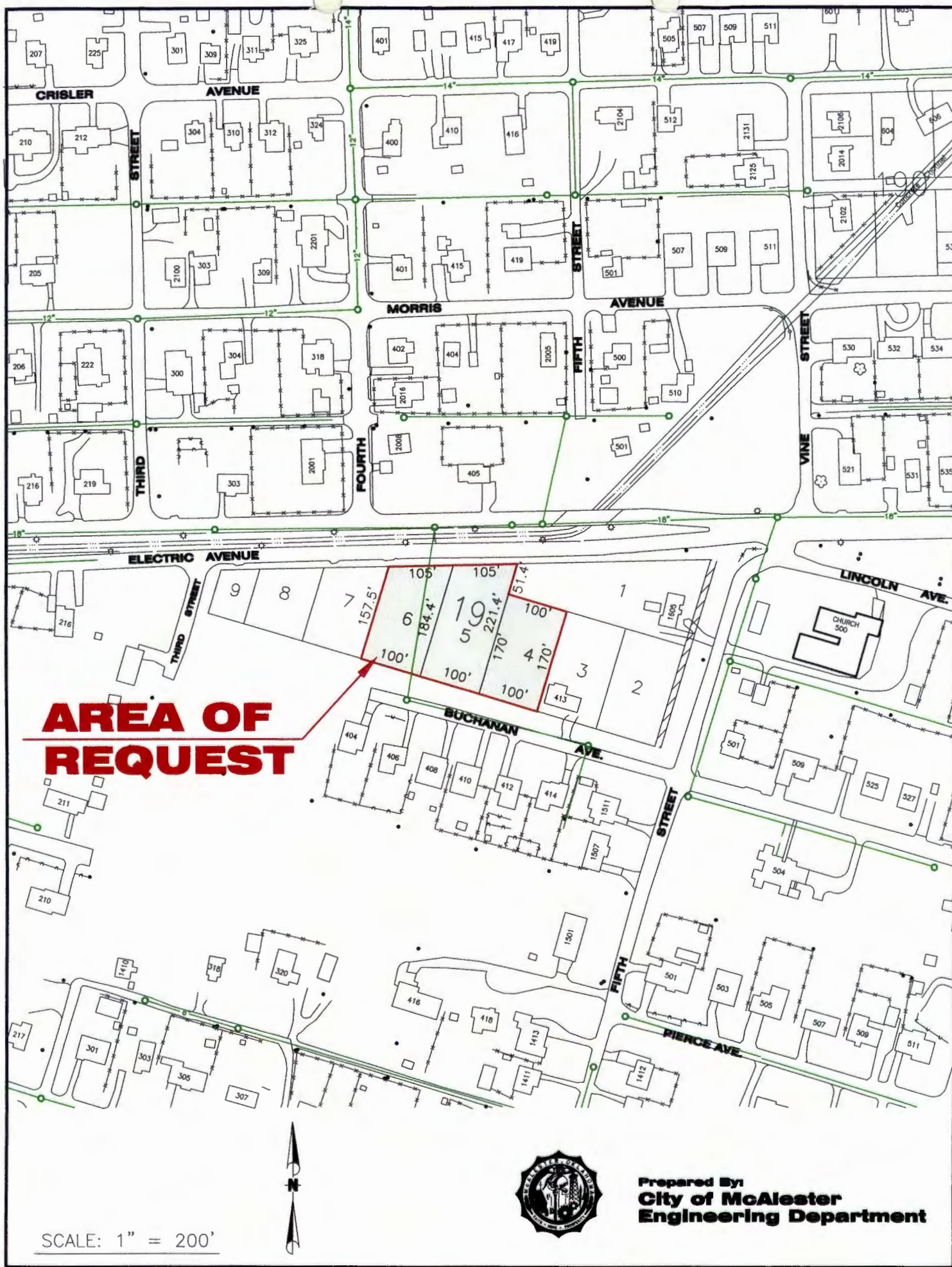
Discussion

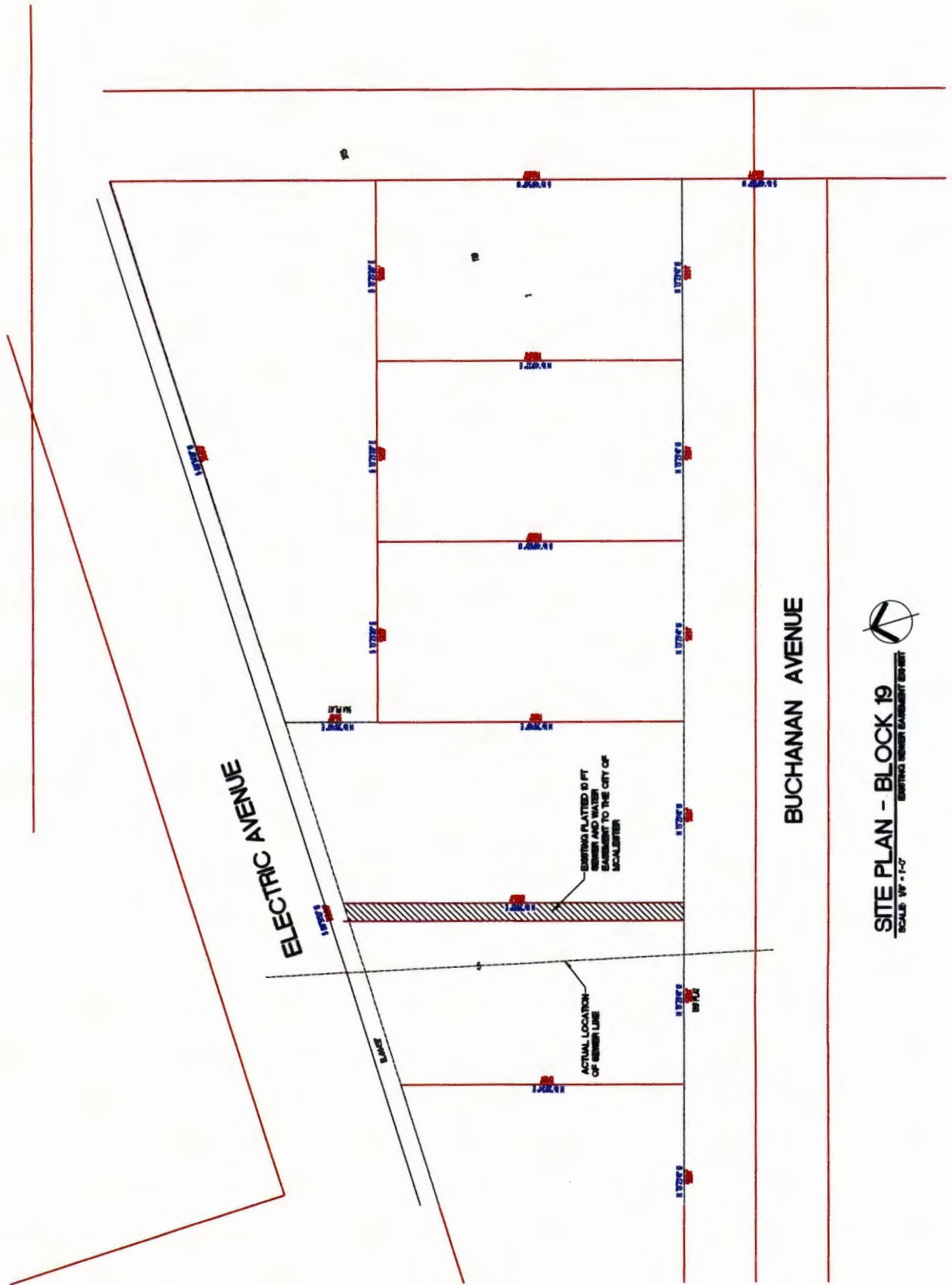
The applicant is requesting the closing of a sewer easement in the following location: Lots 4, 5, and 6, in Block 19, City of McAlester, formerly South McAlester, Pittsburg County, State of Oklahoma. The City of McAlester has an 8" diameter sewer running from Electric Avenue to Buchanan Avenue. Per recent survey conducted by the developer the sewer line is not in the existing easement and the developer plans to provide a 20' easement for the actual location of the sewer. The McAlester Planning Commission met on June 18, 2013 and voted unanimously to recommend the approval of the closure. The following documents are attached for your reference:

1. Area of Request
2. Map of actual sewer line and existing easement
3. Planning and Zoning Staff Report
4. Letter from City of McAlester Utility Department
5. Planning and Zoning minutes
6. Ordinance

Approved By

	Initial	Date
Department Head		
City Manager	P. Stasiak 	7/2/13





SITE PLAN - BLOCK 19
SCALE 1/4" = 1'-0"
EXISTING EASEMENT EXIST

PLANNING & ZONING COMMISSION
STAFF REPORT
June 18, 2013

To: McAlester Planning & Zoning Commission
From: Peter Stasiak
Date: June 13, 2013

Case: VE #144 Request to Close

APPLICANT(S): Ryan Hackett
3785 Ash Circle
Salt Lake City, UT 84109

ZONING DISTRICT: R-1B (Single Family Residential)

BLOCK NUMBER: 19

GENERAL DESCRIPTION:

Applicant is requesting the closing of a sewer easement in the following location: **Lots 4, 5 and 6, in Block 19, City of McAlester, formerly South McAlester, Pittsburg County, State of Oklahoma.**

NOTIFICATIONS:

City of McAlester (Sewer & Water)	Letter Attached
City of McAlester (Engineering)	No Objections (Verbal)
CenterPoint Energy	No Response
Allegiance Communications	No Response
AT&T	No Response
PSO	No Objections (Verbal)
McAlester News Capital (Publication)	June 2, 2013

PROPERTY OWNER NOTIFICATION:

Property Owners within 300 feet	34
Notification receipts received	30
Letters returned unclaimed	1
Notifications still out	3

ATTACHMENTS:

Map of requested area	Attached
Map of actual sewer line and existing easement	Attached
Letter from City of McAlester Utility Department	Attached



INTER - OFFICE MEMORANDUM

DATE: May 16, 2013

TO: Pete Stasiak – City Manager / Planning & Community Development Director

FROM: David Medley, Utilities Director

RE: REQUEST FOR SEWER EASEMENT CLOSING – V.E. #144

Please be advised that the City of McAlester Utilities Department has reviewed the request to vacate the platted easement on the following property:

Lots 4, 5, and 6, in Block 19, City of McAlester, formerly South McAlester, Pittsburg County, State of Oklahoma.

The City of McAlester has an 8" diameter sewer running from Electric Avenue to Buchanan Avenue. Per the recent survey conducted by the developer the sewer is not in the existing easement and the Developer plans to provide a 20' easement for the actual location of the sewer.

Based on the aforementioned information, the Utilities Department does not have an objection to closing the easement.

I have included a map showing the existing sewer and proposed easement by the Developer.

If you or the Planning Commission has any questions regarding this matter, please contact my office.

Sincerely,

David R. Medley, P.E.
Utilities Director

McAlester Planning Commission Minutes

Tuesday, June 18, 2013

City Council Chambers

6:30 PM

Item 1 Call to Order and Roll Call

Chairman Emmons called the meeting to order at 6:30 PM. Roll call was taken and a quorum was represented.

Commissioners Present: 8

Mark Emmons

Harvey Bollinger

Karen Stobaugh

Denise Lewis

Susan Kanard

Primus Moore

Ross Eaton

Justin Few

Commissioners Absent: 2

John McNally

Karl Scifres

Item 2 Approval of the Minutes from January 15, 2013

A motion made by Commission Member Eaton was seconded by Commission Member Moore to accept the minutes as written.

The vote was 8-0:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Few, Stobaugh, Emmons

Motion carried.

GENERAL BUSINESS:

Item 3 Discussion and Action of Request for Rezone: Applicant is requesting a change in zoning from R-1B (Single Family Residential District) to C-5 (Highway Commercial District)

Jennifer Santino, Code Enforcement/Abatement Officer, gave the staff report. Ms. Santino stated that Mr. Harlan Heinicke is seeking a rezone beginning at the Northeast Corner of Lot 1, in Block 139; Thence Southwesterly along the South Line of Lot 1, Block 139 to the extended West Line of 4th Street; Thence South along the extended West Line of 4th Street to the North Line of Mill Avenue and the South Line of the Railroad Right of Way; Thence Northeasterly along the North Line of Mill Avenue and the South Line of the Railroad Right-of-Way to the Southwest Corner of Lot 1, in Block 138; Thence continuing Northeasterly along the North Line of Block 138 and Block 137 and Block 136 to a point which is 10 feet West of the Northeast Corner of Lot 2, in Block 136; Thence West in a straight line to the Northeast Corner of Lot 1, in Block 139, along the South Line of Krebs Branch of the MK&T Railroad; Thence Southwesterly along the South Line of Lot 1, in Block 139 to the point of beginning; and Lot 1 and the Easterly 30 feet of Lot 2, in Block 139; and Lot 3, in Block 137; All in the City of McAlester, now known as North McAlester, Pittsburg County, State of Oklahoma.

She stated that Staff recommends the re-zone with the condition that the entrance be moved from Mill Street to Fourth Street and that the Applicant put in a solid screen next to residential areas.

Mr. Heinicke stated that he had thought this piece of land had already been rezoned until he spoke with the City of McAlester Codes Department. The buildings that would be constructed on the property would be used for recreation vehicles and boat storage.

Billy Coop, 415 E. Park spoke in favor of the rezone. He said that he has a lot next to this area and Mr. Heinicke has always kept his property mowed and looking nice. He mentioned that the property was not maintained before Mr. Heinicke purchased the property and that he has done a great job cleaning up the lot.

In opposition were Mr. Frank Tedrick, 402 E. Mill spoke against the rezone. He said that his property abuts the requested area and feels like this would bring down the value of his home. Mr. O.J. Rhone's mother lives at 510 E. Mill. He believed that this was a safety issue and doesn't want it located in the neighborhood. Mr. Cory Kuykendall reinstated that this was a safety issue for the children. Ms. Brenda Dominic 1501 N. 5th commented that she's afraid the storage units will not be maintained and the grass mowed. Commissioner Lewis noted that it sounded like the property was not maintained before Mr. Heinicke purchased it. Mr. Heinicke specified that his unit will be aesthetically pleasing to the neighborhood. He passed out a brochure of buildings that he would using.

After further discussion, a motion was made by Commission Member Kanard and seconded by Commission Member Few to table the item for more review until the next meeting.

The vote was 8-0:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Few, Stobaugh, Emmons

Motion carried.

Item 4 Discussion and Action of Request for Rezone: Applicant is requesting a change in zoning from R-1B (Single Family Residential District) to C-2 (Neighborhood Convenience District)

Jennifer Santino, Code Enforcement/Abatement Officer, gave the staff report. Ms. Santino stated that Ms. Janell Brooks is seeking a rezone for Lots 20 and 21, in Block 243, City of McAlester, formerly South McAlester, Pittsburg County, State of Oklahoma. She said the Applicant is requesting to rezone of a parcel of property that is 7500 sq. ft. The Land Development Code Section 62-107 (1) (B) states the minimum lot area for rezoning to a C-2 District shall not be less than 50,000 sq. ft. Applicant was informed prior to submitting an application for rezone that they do not qualify per City of McAlester Code.

Ms. Lois Washington, 2008 Cardinal Lane was speaking for Ms. Brooks. She said that Ms. Brooks would like to put a beauty salon and spa in the home located at 804 E. Monroe. Ms. Brooks would not be living in the house and the salon's business hours would be from 9:30 a.m. to 4:30 p.m. Tuesday through Friday. She said that Ms. Brooks will be installing a circle drive so there would not be any traffic interruption on Monroe. There would be parking in the back of the property as well. The beauty salon is located across from the Stipe Center and McAlester Regional Hospital. Her business would tie in with the health center area as Ms. Brooks would be selling wigs to cancer center patients.

After discussion, Commission Member Bolinger explained to Ms. Brooks that the Planning

Commission has to follow the City Ordinances and Codes that are in place. He said the Code states that the minimum lot area for rezoning to a C-2 District shall not be less than 50,000 sq. ft.

A motion made by Commission Member Bolinger and seconded by Commission Member Lewis to deny the rezone as presented.

The vote was 8-0:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Few, Stobaugh, Emmons

Abstained: Eaton

Motion carried.

Commission Member Few left the meeting.

Chairman Emmons asked for a motion to recess the Planning and Zoning Commission Meeting at and open the Board of Adjustments Meeting at 7:40 p.m. A Motion was made by Commission Member Bolinger and seconded by Commission Member Kanard to recess the Planning and Zoning Commission Meeting and open the Board of Adjustments Meeting.

After calling the roll Chairman Emmons stated that a quorum was present. Chairman Emmons asked for a motion to recess the Board of Adjustments and re-open the Planning and Zoning Meeting at 7:42 p.m. Commission Member Kanard made a motion and seconded by Commission Member Stobaugh to recess the Board of Adjustments and reconvene the Planning and Zoning Meeting.

With no further discussion the vote was 7-0 as follows:

AYE: Bollinger, Lewis, Kanard, Moore, Eaton, Stobaugh, Emmons

NAY: None

Motion carried.

**Item 5 Discussion and Action on UP #51 – Use Permitted After Review:
Applicant is requesting a use permitted after review in the Wyandotte
Corridor for medical, office, and retail.**

Jennifer Santino, Code Enforcement/Abatement Officer, gave the staff report. Ms. Santino stated that Mr. Terry English is seeking a use permitted after review for the the Easterly 50 feet of Lot 6 and all of lots 7 and 8, in Block 423, City of McAlester, Formerly South McAlester, Pittsburg County, Oklahoma. Property is located at 713-729 E. Wyandotte. Applicant is requesting use permitted after review in the Wyandotte Corridor on an existing building, therefore no additional site plans were needed.

Mr. English advised the Planning Commission that the building was previously a medical clinic. He said that Caring Hands a medical clinic is wanting to move into the space.

A motion made by Commission Member Bolinger and was seconded by Commission Member Stobaugh to accept the use permitted after review as presented and forward the recommendation to the City Council for Approval.

The vote was 7-0:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Stobaugh, Emmons
Motion carried.

Item 6 Discussion and Action on VE#144 – Request to Close: Applicant is requesting the closing of a sewer easement in the following location: Lots 4, 5, and 6, in Block 19, City of McAlester.

Jennifer Santino, Code Enforcement/Abatement Officer, gave the staff report. Ms. Santino stated that the Applicant Ryan Hackett of Dessert Ridge Investment, Inc. is requesting to vacate (close) a sewer easement in the following location: **Lots 4, 5 and 6, in Block 19, City of McAlester, formerly South McAlester, Pittsburg County, State of Oklahoma.**

Mr. Hackett pointed out that the actual sewer line is not located in the sewer easement and that he is requesting that the easement be changed to show the actual sewer line.

A motion was made by Commission Member Bolinger and was seconded by Commission Member Moore to approve request to vacate easement and forward the recommendation to the City Council for Approval.

The vote was 7-0:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Stobaugh, Emmons
Motion carried.

Item 7 Discussion and Action of Request for Replat: Applicant is requesting a Replat of Lots 4, 5, and 6, Block 19, City of McAlester.

Jennifer Santino, Code Enforcement/Abatement Officer, gave the staff report. Ms. Santino stated that the Applicant Ryan Hackett of Dessert Ridge Investment, Inc. is requesting to vacate (close) a sewer easement in the following location: **Lots 4, 5 and 6, in Block 19, City of McAlester, formerly South McAlester, Pittsburg County, State of Oklahoma.**

Mr. Hackett stated that he is asking for a re-plat of Lots 4, 5, and 6 of Block 19 in order to create additional market rate for rent/sale homes. The current zoning allows for smaller lot sizes than what is currently there and we need to keep the cost of the land down in order to maintain affordability. The current homes that surround the area are also sitting on smaller lot sizes.

There being no further discussion, Commission Member Bollinger made the motion and seconded by Commission Member Moore to accept the Replat as presented and forward the recommendation to the City Council for Approval.

The vote was 6-0 as follows:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Emmons
Absent: Few (Left Meeting for another commitment)
Motion carried.

Item 8 New Business

There was no new business.

Item 9 Staff Report

There was no Commission Report.

Item 10 Commission Report

There was no Commission Report.

Item 11 Adjournment

A motion was made by Commission Member Moore and seconded by Commission Member Bolinger to adjourn the meeting.

There were no objections.

Meeting was adjourned at 8:00 p.m.

Approved: _____
DATE

By: _____
COMMISSIONER

ORDINANCE NO. _____

AN ORDINANCE TO VACATE (CLOSE) A SEWER EASEMENT IN THE FOLLOWING
LOCATION: LOTS 4, 5, AND 6, IN BLOCK 19, CITY OF MCALESTER,
FORMERLY SOUTH MCALESTER, PITTSBURG COUNTY, STATE OF OKLAHOMA

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF
MCALESTER, OKLAHOMA, That:

SECTION 1. It shall be and is hereby declared necessary and
expedient to close a sewer easement in the following location:

LOTS 4, 5, AND 6, IN BLOCK 19, CITY OF MCALESTER, FORMERLY SOUTH
MCALESTER, PITTSBURG COUNTY, STATE OF OKLAHOMA

SECTION 2. PUBLICATION AND EFFECTIVE DATE

The closing of the easement adopted by this ordinance shall be
published within 15 days of approval in a newspaper of general
circulation in McAlester, Oklahoma and the change shall become
effective 30 days after approval by the City Council as required
by Oklahoma General Statutes.

APPROVED this _____ day of _____, 2013.

CITY OF MCALESTER, OKLAHOMA
A Municipal Corporation

By _____
Steve Harrison, Mayor

(SEAL)

ATTEST:

Cora Middleton, City Clerk

Approved as to form and legality this _____ day of
_____, 2013.

By _____
William J. Ervin, City Attorney



McAlester City Council

AGENDA REPORT

Meeting Date:	July 9, 2013	Item Number:	6
Department:	Planning & Community Development		
Prepared By:	Jennifer Santino, Code Enforcement Officer	Account Code:	N/A
Date Prepared:	June 21, 2013	Budgeted Amount:	N/A
		Exhibits:	(5) See Below

Subject

Consider and act upon Re-Plat of Block 19, Lots 4, 5, and 6.

Recommendation

Motion to approve the Re-Plat of Block 19, Lots 4, 5, and 6 and authorize the Mayor to sign the documents.

Discussion

The applicant is requesting approval of the Re-Plat of Block 19, Lots 4, 5, and 6. The McAlester Planning and Zoning Commission met on June 18, 2013 and voted unanimously to recommend approval of the Re-Plat. The following documents are attached for your reference:

1. Planning and Zoning Staff Report
2. Map of Existing Platted Area
3. Final Plat
4. Letter from Desert Ridge Investments, Inc.
5. Planning and Zoning minutes

Approved By

Department Head
City Manager

P. Stasiak

Initial

PJS

Date

7/2/13

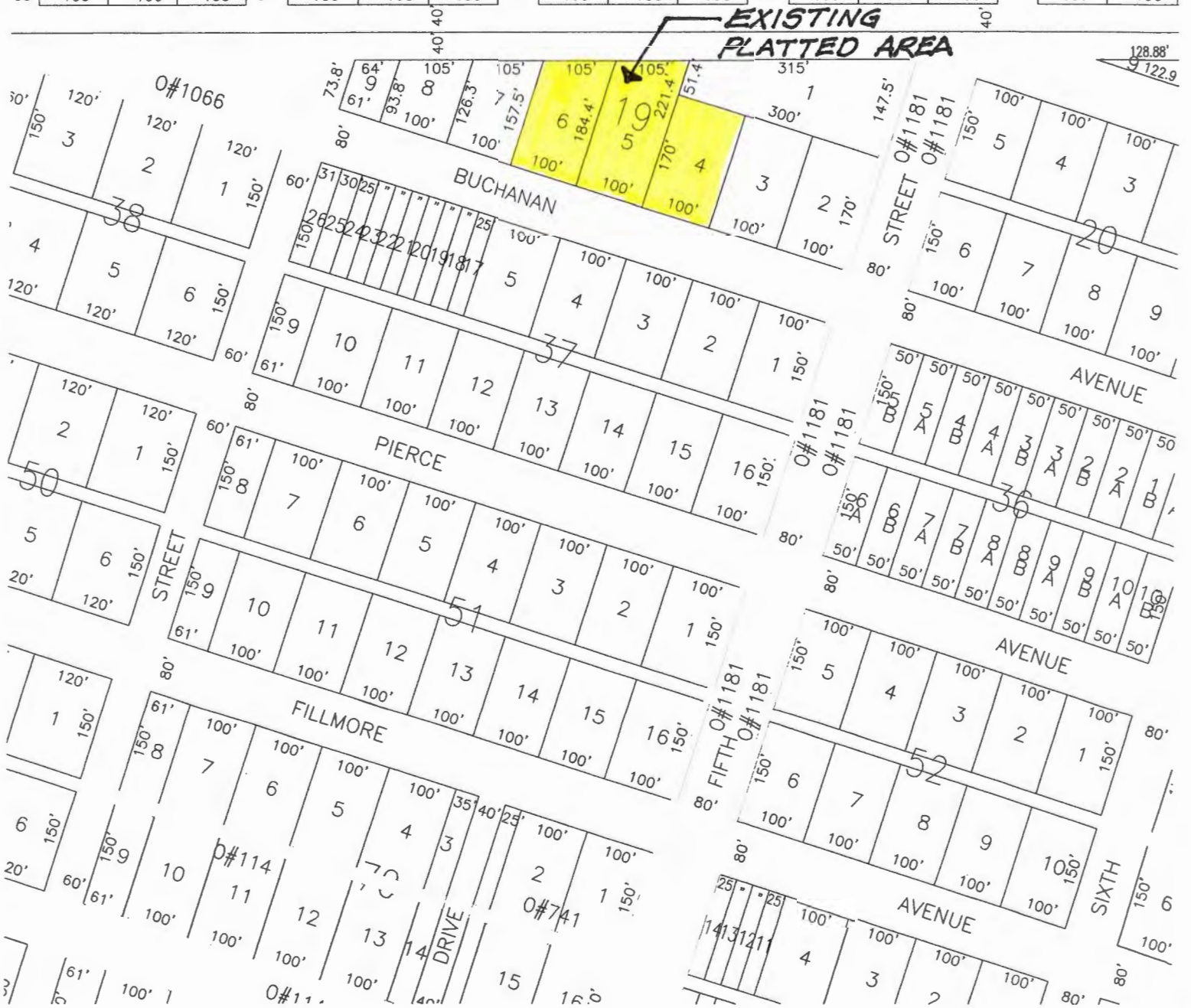
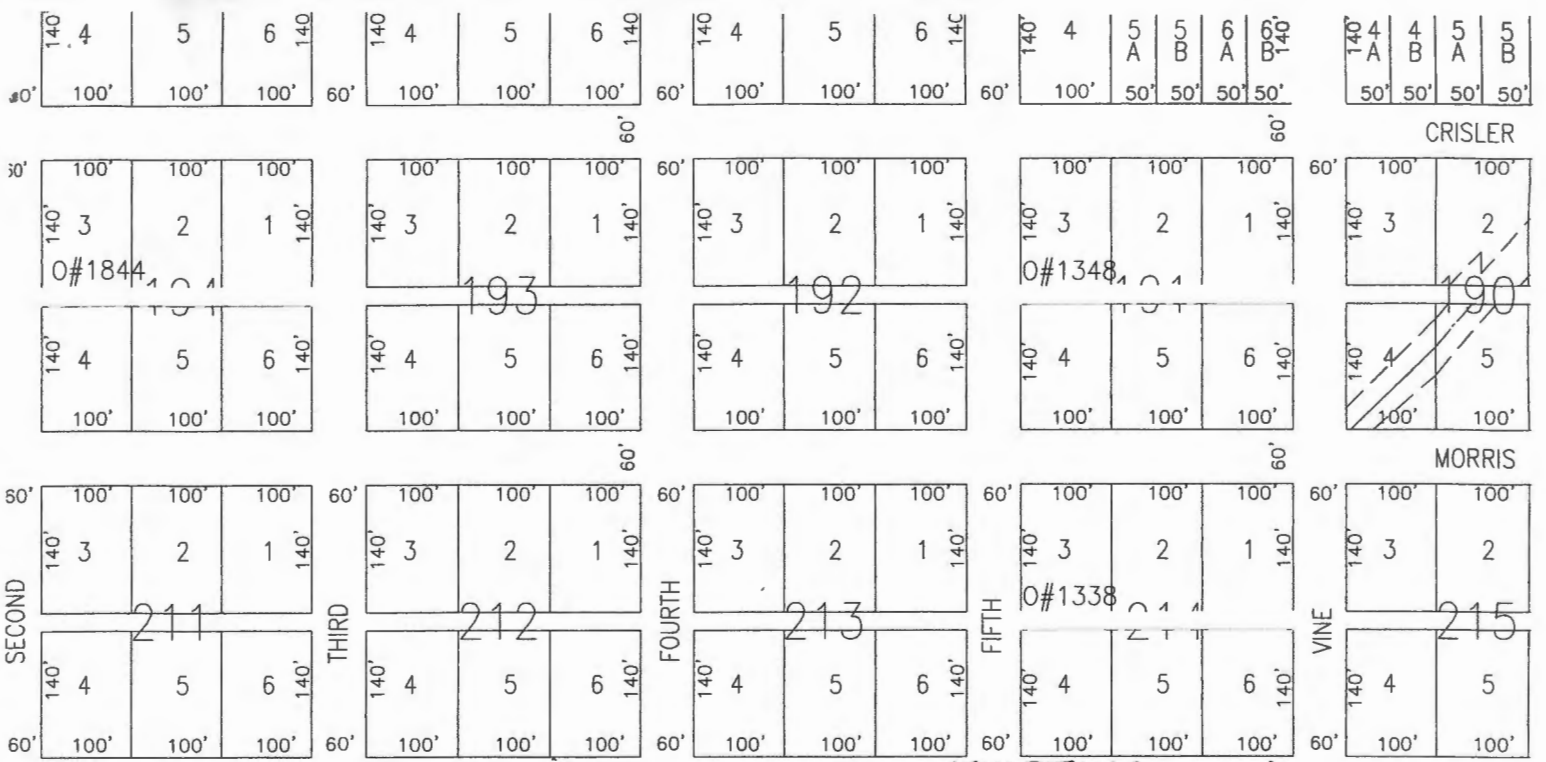
PLANNING & ZONING COMMISSION
STAFF REPORT
June 18, 2013

To: McAlester Planning & Zoning Commission
From: Peter Stasiak
Date: June 13, 2013
Re: Replat for Desert Ridge Investments, Inc.

Desert Ridge Investments, Inc. is seeking a Replat of Lots 4, 5 and 6, Block 19, South McAlester, Pittsburg County, Oklahoma, according to the recorded Plat thereof.

Attachments:

- Letter from Desert Ridge Investments, Inc.
- Map of Existing Platted Area
- Final Plat for Desert Ridge



OWNERS CERTIFICATE AND DESIGNATION

KNOW ALL MEN BY THESE PRESENTS THAT HSH DEVELOPMENT, LP, BY EXPRESS DEVELOPMENT, INC. IS THE OWNER IN FEE SIMPLE OF THE FOLLOWING DESCRIBED PROPERTY:

A tract of land known as Lots 4, 5 and 6 in Block 19, in the City of Muskogee, Pittsburg County, State of Oklahoma, described as north and south as follows: BEGINNING at the SE Corner of Lot 4: thence N 16°40'00" E, a distance of 170.50' (Plot 170.50') to the NW Corner of Lot 4: thence N 17°59'40" E, a distance of 51.42' to the SE Corner of Lot 4: thence S 89°01'00" W, a distance of 210.50' to the NW Corner of Lot 4: thence S 14°30'00" W, a distance of 137.51' to the SW Corner of Lot 4: thence S 77°23'40" E, a distance of 829.81' (Plot 829.81') to the POINT OF BEGINNING;

We the owners of the above described property hereby certify that we have caused the same to be plotted and subdivided into lots and blocks with accurate measurements as shown herein, which plot is hereby adopted as an official plat under the name of RE-Plat of Lots 4, 5 and 6, Block 19, City of Muskogee.

IN WITNESS WHEREOF:

THOMAS P. TIBBETTS IV PRESIDENT OF EXPRESS DEVELOPMENT, INC., GENERAL PARTNER OF HSH INVESTORS, L.P. HAS EXECUTED THIS INSTRUMENT THIS _____ DAY OF _____ 2013.

BY:

THOMAS P. TIBBETTS IV PRESIDENT OF EXPRESS DEVELOPMENT, INC., GENERAL PARTNER OF HSH INVESTORS, L.P.

State of Texas)
County of Dallas)

Do I recommend that on this _____ day of _____ 2013 before me a Notary Public in and for said County and State, known as Thomas P. Tibbets IV President of Express Development, Inc., General Partner of HSH Investors, L.P. do the personally known to be the same person who executed the foregoing instrument of writing and duly acknowledged this execution of the same. In testimony whereof, I have hereunto set my hand and official seal the day and year last written above.

Notary Public _____

My Commission Expires _____

FINAL PLAT

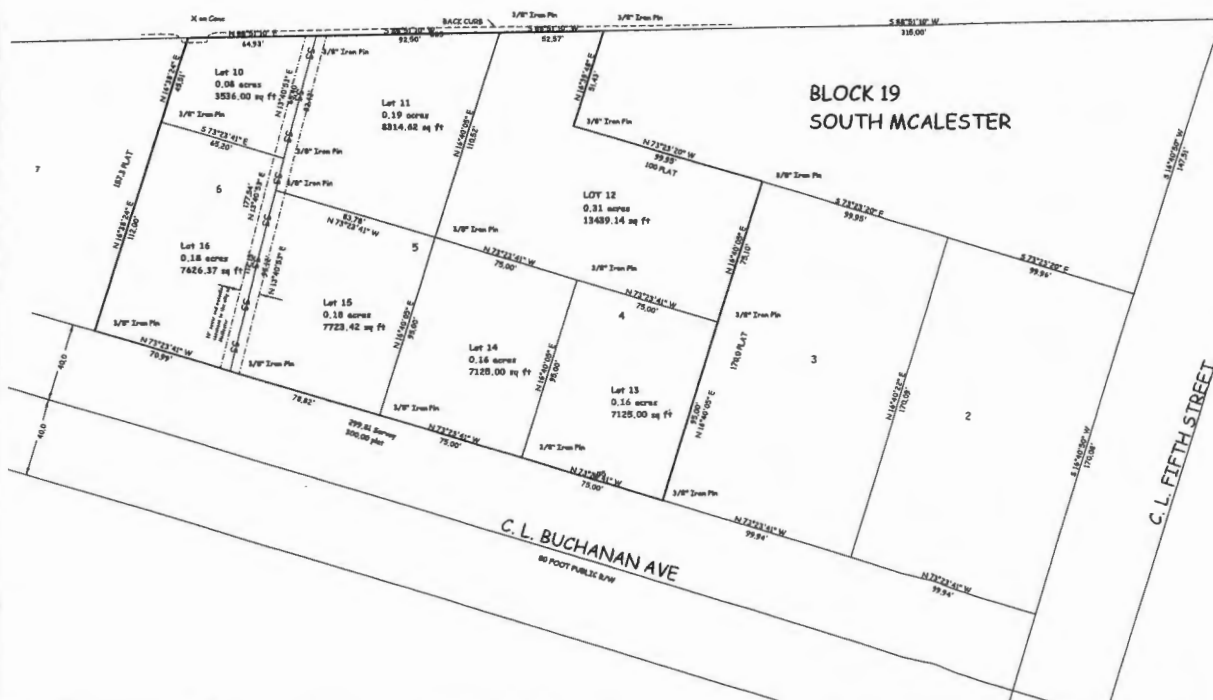
RE-PLAT LOTS 4, 5 AND 6, BLOCK 19, SOUTH MCALESTER, PITTSBURG COUNTY, OKLAHOMA, ACCORDING TO THE RECORDED PLAT THEREOF



ELECTRIC AVENUE

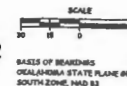
80 FOOT PUBLIC R/W

BLOCK 19
SOUTH MCALESTER



PERRY SURVEYING

P.O. BOX 1302
MCALESTER, OK. 74502
PH 918-426-4758
FAX 918-426-0685



SURVEYORS CERTIFICATE

I, Jerry Leon Perry of Perry Surveying a Registered Professional Land Surveyor in the State of Oklahoma, hereby certify that I have carefully and accurately surveyed, subdivided and plotted the tract of land described in the foregoing plat designated herein as Block 19, Lots 4, 5 and 6, Block 19 in a representation of the ground and generally accepted land surveying practices and customs or carried the Oklahoma Minimum Standards for the Production of Land Surveying and Mapping.

Executed this 4 day of JUNE, 2013.

Jerry Leon Perry
JERRY LEON PERRY
REGISTERED PROFESSIONAL LAND SURVEYOR
L.S. NO. 1074, CA. NO. 151, CA. EXPIRES 6-30-2015

State of Oklahoma)

County of Pittsburg)

Before me the undersigned, a Notary Public in and for said County and State, on this 4 day of June, 2013, personally appeared Jerry Leon Perry known to me to be the same person who executed the foregoing instrument of writing and duly acknowledged this execution of the same. In testimony whereof, I have hereunto set my hand and seal the day and year last written above.

Notary Public _____

My Commission Expires _____

PLANNING COMMISSION APPROVAL:

I hereby certify that this plat was approved by the City of Muskogee, Planning Commission on the _____ day of _____ 2013.

Chairman _____

CITY OF MCALESTER APPROVAL:

I hereby certify that this plat was approved by the Muskogee City Council on the _____ day of _____ 2013.

Mayor _____

City Clerk _____

TREASURERS CERTIFICATE

I hereby certify as to all real estate taxes in this plat that all taxes have been paid for the tax year _____ as reflected by the current tax rolls and security has been provided for taxes not yet certified to me.

Signed this _____ day of _____ 2013.

Pittsburg County Treasurer _____

CERTIFICATE OF CERTAINTY CLERK

This plat has been filed in the office of the County Clerk, Pittsburg County, Oklahoma, this _____ day of _____ 2013.

File _____ Page _____

County Clerk _____

JUN 06 2013

klp

DESERT RIDGE
INVESTMENTS, INC.

3785 SOUTH ASH CIRCLE
SALT LAKE CITY, UT 84109
PHONE: 801.554.1912
FAX: 801.828.2839

June 3, 2013

City of McAlester
28 E. Washington
McAlester, OK 74502

Re: Re-plat of Block 19, Lots 4, 5, and 6.

Dear City of McAlester,

Desert Ridge Investments, Inc. (DRI) and Express Development, Inc. (EDI) have entered into a partnership to create HPH Investors, LP, the owner of Block 19, lots 4, 5, and 6. DRI and EDI have been developing housing in the City of McAlester for several years with the development of Legends at Hickory Ridge, phases I, II, and III. We appreciate the support that the City has provided to us through City fee waivers and resolutions of support to create affordable housing.

We are asking for a re-plat of Lots 4, 5 and 6 of Block 19 in order to create additional market rate for rent/sale homes. The current zoning allows for smaller lot sizes than what is currently there and we need to keep the cost of the land down in order to maintain affordability. The current homes that surround the area are also sitting on smaller lot sizes. In order to maintain consistency with the neighborhood, small lot sizes are warranted.

This is a unique subdivision in the fact that the City road right of way is much larger than the actual asphalt poured. The road currently dead ends right past our lots, which means that it is highly unlikely that the City will expand the street. Along with the re-plat, we are asking a variance to the front set back requirement. A variance would allow the homes to be closer to the poured asphalt with a driveway distance of 40 feet, rather than the current requirement that will force the driveway to be 65 feet. A set back variance will also give the homes, more back yard area between the other homes. The existing home that is currently on the north side of the street is also closer to the paved asphalt than what current code would allow.

We appreciate the opportunity to continue to build homes in McAlester. We appreciate your support and consideration regarding our requests. If you have any questions regarding request, please don't hesitate to call me (801) 554-1912.

Sincerely,



Ryan W. Hackett
President

McAlester Planning Commission Minutes

Tuesday, June 18, 2013

City Council Chambers

6:30 PM

Item 1 Call to Order and Roll Call

Chairman Emmons called the meeting to order at 6:30 PM. Roll call was taken and a quorum was represented.

Commissioners Present: 8

Mark Emmons

Harvey Bollinger

Karen Stobaugh

Denise Lewis

Susan Kanard

Primus Moore

Ross Eaton

Justin Few

Commissioners Absent: 2

John McNally

Karl Scifres

Item 2 Approval of the Minutes from January 15, 2013

A motion made by Commission Member Eaton was seconded by Commission Member Moore to accept the minutes as written.

The vote was 87-0:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Few, Stobaugh, Emmons

Motion carried.

GENERAL BUSINESS:

Item 3 Discussion and Action of Request for Rezone: Applicant is requesting a change in zoning from R-1B (Single Family Residential District) to C-5 (Highway Commercial District)

Jennifer Santino, Code Enforcement/Abatement Officer, gave the staff report. Ms. Santino stated that Mr. Harlan Heinicke is seeking a rezone beginning at the Northeast Corner of Lot 1, in Block 139; Thence Southwesterly along the South Line of Lot 1, Block 139 to the extended West Line of 4th Street; Thence South along the extended West Line of 4th Street to the North Line of Mill Avenue and the South Line of the Railroad Right of Way; Thence Northeasterly along the North Line of Mill Avenue and the South Line of the Railroad Right-of-Way to the Southwest Corner of Lot 1, in Block 138; Thence continuing Northeasterly along the North Line of Block 138 and Block 137 and Block 136 to a point which is 10 feet West of the Northeast Corner of Lot 2, in Block 136; Thence West in a straight line to the Northeast Corner of Lot 1, in Block 139, along the South Line of Krebs Branch of the MK&T Railroad; Thence Southwesterly along the South Line of Lot 1, in Block 139 to the point of beginning; and Lot 1 and the Easterly 30 feet of Lot 2, in Block 139; and Lot 3, in Block 137; All in the City of McAlester, now known as North McAlester, Pittsburg County, State of Oklahoma.

She stated that Staff recommends the re-zone with the condition that the entrance be moved from Mill Street to Fourth Street and that the Applicant put in a solid screen next to residential areas.

Mr. Heinicke stated that he had thought this piece of land had already been rezoned until he spoke with the City of McAlester Codes Department. The buildings that would be constructed on the property would be used for recreation vehicles and boat storage.

Billy Coop, 415 E. Park spoke in favor of the rezone. He said that he has a lot next to this area and Mr. Heinicke has always kept his property mowed and looking nice. He mentioned that the property was not maintained before Mr. Heinicke purchased the property and that he has done a great job cleaning up the lot.

In opposition were Mr. Frank Tedrick, 402 E. Mill spoke against the rezone. He said that his property abuts the requested area and feels like this would bring down the value of his home. Mr. O.J. Rhone's mother lives at 510 E. Mill. He believed that this was a safety issue and doesn't want it located in the neighborhood. Mr. Cory Kuykendall reinstated that this was a safety issue for the children. Ms. Brenda Dominic 1501 N. 5th commented that she's afraid the storage units will not be maintained and the grass mowed. Commissioner Lewis noted that it sounded like the property was not maintained before Mr. Heinicke purchased it. Mr. Heinicke specified that his unit will be aesthetically pleasing to the neighborhood. He passed out a brochure of buildings that he would using.

After further discussion, a motion was made by Commission Member Kanard and seconded by Commission Member Few to table the item for more review until the next meeting.

The vote was 8-0:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Few, Stobaugh, Emmons

Motion carried.

Item 4 Discussion and Action of Request for Rezone: Applicant is requesting a change in zoning from R-1B (Single Family Residential District) to C-2 (Neighborhood Convenience District)

Jennifer Santino, Code Enforcement/Abatement Officer, gave the staff report. Ms. Santino stated that Ms. Janell Brooks is seeking a rezone for Lots 20 and 21, in Block 243, City of McAlester, formerly South McAlester, Pittsburg County, State of Oklahoma. She said the Applicant is requesting to rezone of a parcel of property that is 7500 sq. ft. The Land Development Code Section 62-107 (1) (B) states the minimum lot area for rezoning to a C-2 District shall not be less than 50,000 sq. ft. Applicant was informed prior to submitting an application for rezone that they do not qualify per City of McAlester Code.

Ms. Lois Washington, 2008 Cardinal Lane was speaking for Ms. Brooks. She said that Ms. Brooks would like to put a beauty salon and spa in the home located at 804 E. Monroe. Ms. Brooks would not be living in the house and the salon's business hours would be from 9:30 a.m. to 4:30 p.m. Tuesday through Friday. She said that Ms. Brooks will be installing a circle drive so there would not be any traffic interruption on Monroe. There would be parking in the back of the property as well. The beauty salon is located across from the Stipe Center and McAlester Regional Hospital. Her business would tie in with the health center area as Ms. Brooks would be selling wigs to cancer center patients.

After discussion, Commission Member Bolinger explained to Ms. Brooks that the Planning

Commission has to follow the City Ordinances and Codes that are in place. He said the Code states that the minimum lot area for rezoning to a C-2 District shall not be less than 50,000 sq. ft.

A motion made by Commission Member Bolinger and seconded by Commission Member Lewis to deny the rezone as presented.

The vote was 8-0:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Few, Stobaugh, Emmons

Abstained: Eaton

Motion carried.

Commission Member Few left the meeting.

Chairman Emmons asked for a motion to recess the Planning and Zoning Commission Meeting at and open the Board of Adjustments Meeting at 7:40 p.m. A Motion was made by Commission Member Bolinger and seconded by Commission Member Kanard to recess the Planning and Zoning Commission Meeting and open the Board of Adjustments Meeting.

After calling the roll Chairman Emmons stated that a quorum was present. Chairman Emmons asked for a motion to recess the Board of Adjustments and re-open the Planning and Zoning Meeting at 7:42 p.m. Commission Member Kanard made a motion and seconded by Commission Member Stobaugh to recess the Board of Adjustments and reconvene the Planning and Zoning Meeting.

With no further discussion the vote was 7-0 as follows:

AYE: Bollinger, Lewis, Kanard, Moore, Eaton, Stobaugh, Emmons

NAY: None

Motion carried.

**Item 5 Discussion and Action on UP #51 – Use Permitted After Review:
Applicant is requesting a use permitted after review in the Wyandotte
Corridor for medical, office, and retail.**

Jennifer Santino, Code Enforcement/Abatement Officer, gave the staff report. Ms. Santino stated that Mr. Terry English is seeking a use permitted after review for the the Easterly 50 feet of Lot 6 and all of lots 7 and 8, in Block 423, City of McAlester, Formerly South McAlester, Pittsburg County, Oklahoma. Property is located at 713-729 E. Wyandotte. Applicant is requesting use permitted after review in the Wyandotte Corridor on an existing building, therefore no additional site plans were needed.

Mr. English advised the Planning Commission that the building was previously a medical clinic. He said that Caring Hands a medical clinic is wanting to move into the space.

A motion made by Commission Member Bolinger and was seconded by Commission Member Stobaugh to accept the use permitted after review as presented and forward the recommendation to the City Council for Approval.

The vote was 7-0:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Stobaugh, Emmons
Motion carried.

Item 6 Discussion and Action on VE#144 – Request to Close: Applicant is requesting the closing of a sewer easement in the following location: Lots 4, 5, and 6, in Block 19, City of McAlester.

Jennifer Santino, Code Enforcement/Abatement Officer, gave the staff report. Ms. Santino stated that the Applicant Ryan Hackett of Dessert Ridge Investment, Inc. is requesting to vacate (close) a sewer easement in the following location: **Lots 4, 5 and 6, in Block 19, City of McAlester, formerly South McAlester, Pittsburg County, State of Oklahoma.**

Mr. Hackett pointed out that the actual sewer line is not located in the sewer easement and that he is requesting that the easement be changed to show the actual sewer line.

A motion was made by Commission Member Bolinger and was seconded by Commission Member Moore to approve request to vacate easement and forward the recommendation to the City Council for Approval.

The vote was 7-0:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Stobaugh, Emmons
Motion carried.

Item 7 Discussion and Action of Request for Replat: Applicant is requesting a Replat of Lots 4, 5, and 6, Block 19, City of McAlester.

Jennifer Santino, Code Enforcement/Abatement Officer, gave the staff report. Ms. Santino stated that the Applicant Ryan Hackett of Dessert Ridge Investment, Inc. is requesting to vacate (close) a sewer easement in the following location: **Lots 4, 5 and 6, in Block 19, City of McAlester, formerly South McAlester, Pittsburg County, State of Oklahoma.**

Mr. Hackett stated that he is asking for a re-plat of Lots 4, 5, and 6 of Block 19 in order to create additional market rate for rent/sale homes. The current zoning allows for smaller lot sizes than what is currently there and we need to keep the cost of the land down in order to maintain affordability. The current homes that surround the area are also sitting on smaller lot sizes.

There being no further discussion, Commission Member Bollinger made the motion and seconded by Commission Member Moore to accept the Replat as presented and forward the recommendation to the City Council for Approval.

The vote was 6-0 as follows:

Aye: Bollinger, Lewis, Kanard, Moore, Eaton, Emmons
Absent: Few (Left Meeting for another commitment)
Motion carried.

Item 8 New Business

There was no new business.

Item 9 Staff Report

There was no Commission Report.

Item 10 Commission Report

There was no Commission Report.

Item 11 Adjournment

A motion was made by Commission Member Moore and seconded by Commission Member Bolinger to adjourn the meeting.

There were no objections.

Meeting was adjourned at 8:00 p.m.

Approved: _____
DATE

By: _____
COMMISSIONER



McAlester City Council

AGENDA REPORT

Meeting Date: July 09, 2013
Department: Public Works - Engineering
John C. Modzelewski, P.E.,
Prepared By: CFM
Date Prepared: July 1, 2013

Item Number: 7
Account Code: _____
Budgeted Amount: N/A
Exhibits: 1

Subject

Consider, and act upon, a "Pledge and Guarantee" document which authorizes the annual renewal of the City of McAlester's Participation Agreement with the Association for Landfill Financial Assurance (ALFA).

Recommendation

Motion to approve the "Pledge and Guarantee" document and authorize the Mayor to sign after review and approval by City Attorney's Office.

Discussion

The City of McAlester is a member of the Association for Landfill Financial Assurance (ALFA). This document renews the City's membership in ALFA for FY 2013-2014. Membership in ALFA fulfills the requirements of the Oklahoma Department of Environmental Quality for financial assurance landfill closure and post-closure monitoring costs.

Approved By


	<i>Initial</i>	<i>Date</i>
Department Head	JCM	07/01/13
City Manager	P. Stasiak 	07/02/13

Exhibit B

PLEDGE AND GUARANTEE

WHEREAS, The City of McAlester (hereinafter "City") is the beneficial owner of a Municipal Solid Waste Landfill (hereinafter "MSWLF") owned and operated by the McAlester Public Works Authority (hereinafter "Trust"), and

WHEREAS, The City and the Trust are required to comply with financial assurance requirements for the closure of its MSWLF and for post-closure care for thirty (30) years after closing the MSWLF pursuant to RCRA Subtitle D regulations and Oklahoma Department of Environmental Quality rules and regulations, and

WHEREAS, The City and the Trust are in compliance with the aforementioned rules, regulations and laws by its participation as a member of the Association for Landfill Financial Assurance, an Oklahoma not for profit association (hereinafter "ALFA"), such entity being an approved mechanism under the laws of the state of Oklahoma for compliance with all financial assurance requirements, and

WHEREAS, The City and the Trust are required pursuant to the ALFA Participation Agreement to annually reaffirm its membership and pledge and guarantee to provide funding for the closure and post-closure care costs which are currently unfunded, where current estimated closure and post-closure care costs less the current Escrow Balance equals, and is hereinafter referred to as, "Unfunded Costs."

WHEREFORE, The City and the Trust hereby reaffirm and renew their membership in ALFA, (the City through the fiscal year ending June 30, 2014), pursuant to the terms and covenants as contained in said Participation Agreement dated July 25, 1995, an original copy of which is on file in the offices of the Trust.

WHEREFORE, both the City and Trust hereby pledge to pay any Unfunded Costs for the closure costs and post-closure care in the event its MSWLF should close or cease to operate prior to the time full funding has been accumulated in the ALFA Escrow Account according to the terms of the Participation Agreement.

WHEREFORE, both the City and Trust further assign any proceeds of this pledge and guarantee to the ALFA, or its successors or assigns as security for the financial obligations of the City and Trust for closure and post-closure care of its MSWLF and the related obligations under law to the Oklahoma Department of Environmental Quality and/or the United States Environmental Protection Agency in the event the City or Trust fails to comply with applicable Federal and State laws for the closure and post-closure care of the MSW Facility.

Dated this ____ day of _____, 2013.

MAYOR

Attest:

City Clerk



McAlester City Council

AGENDA REPORT

Meeting Date:	July 9, 2013	Item Number:	8
Department:	Public Works		
	John C. Modzelewski, P.E.,		
Prepared By:	CFM	Account Code:	
Date Prepared:	July 1, 2013	Budgeted Amount:	
		Exhibits:	1

Subject

Consider, and act upon, amending Chapter 62, Land Development Code, Article V, Zoning, Division 4, Flood Hazard Overlay District and Flood Damage Prevention, Section 62-246, Designation of floodplain administrator.

Recommendation

Motion to approve the Land Development Code, as amended, and declaring an emergency.

Discussion

The previous floodplain administrator, Clifford Pitner, CFM, has retired and needs to be replaced with John C. Modzelewski, P.E., CFM.

Approved By

		Initial	Date
Department Head		JCM	07/01/13
City Manager	P. Stasiak	<i>PJS</i>	07/02/13

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCALESTER, OKLAHOMA, AMENDING THE CODE OF ORDINANCES, CHAPTER 62, SECTION 246. DESIGNATION OF THE FLOODPLANE ADMINISTRATOR, REPEALING ALL CONFLICTING ORDINANCES; AND DECLARING AN EMERGENCY.

* * * * *

BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF MCALESTER, OKLAHOMA, that:

SECTION 1: Chapter 62, Section 62-246, is hereby amended to read as follows:

Sec. 62-246. DESIGNATION OF THE FLOODPLAIN ADMINISTRATOR

The City Council of the City of McAlester designates ~~Clifford Pitner, CFM~~ John C. Modzelewski, P.E., CFM, as the McAlester Floodplain Administrator to administer and implement the provisions of this ordinance and other appropriate sections of National Flood Insurance Program regulations in Title 44 CFR pertaining to floodplain management.

SECTION 2: EMERGENCY CLAUSE.

That an emergency is hereby declared to exist for the preservation of the public peace, health and safety, by reason whereof it is necessary that this act effect and be in full force from and after passage and approval.

PASSED and the EMERGENCY CLAUSE ruled on separately this 9th day of July, 2013.

**CITY OF MCALESTER, OKLAHOMA
A Municipal Corporation**

By _____
Steve Harrison, Mayor

ATTEST:

Cora Middleton, City Clerk

Approved as to form and legality this 9th day of July, 2013.

By _____
William J. Ervin, City Attorney



McAlester City Council

AGENDA REPORT

Meeting Date:	July 9, 2013	Item Number:	9
Department:	CFO	Account Code:	
Prepared By:	Toni Ervin	Budgeted Amount:	
Date Prepared:	July 2, 2013	Exhibits:	5

Subject

Consider, and act upon, authorizing the mayor to sign an Engagement Letter with Cole & Reed, P.C. for audit services for the fiscal year ending June 30, 2014.

Recommendation

Motion to authorize the Mayor to sign an Engagement Letter with Cole & Reed, P.C.

Discussion

The City of McAlester went out for RFPs for Auditing Services for FY 2013-2014. Five proposals were received.

The Audit & Finance Advisory Committee met on June 13, 2013 to review RFPs and make a recommendation to the City Council for Auditing Services for the City of McAlester FY 2013-2014. The committee ranked each proposal according to a set of predefined criteria including: 1) Number of Employees; 2) Total Bid Price; 3) City/Governmental Accounting Experience; 4) Personnel/Staffing and 5) References. After reviewing the proposals the Committee unanimously agreed to recommend that the City Council award the FY 2013-2014 City of McAlester Financial Independent Audit Services Contract to Cole and Reed, P.C.

Attachments:

1. Engagement Letter from Cole and Reed, P.C.
2. Letter from Cole and Reed, P.C. dated June 28, 2013
3. Auditor Rating Sheet.
4. Letter to Mayor and City Council - Selection of Independent Auditor from Audit & Finance Advisory Committee.
5. Minutes from June 13, 2013 A&F Meeting.

Approved By

	Initial	Date
Department Head		
City Manager	P. Stasiak <i>PJS</i>	07/02/2013

June 28, 2013

City Council
Mr. Pete Stasiak, City Manager
Ms. Toni Ervin, Chief Financial Officer
City of McAlester
McAlester, Oklahoma

The Objective and Scope of the Audit of the Financial Statements

You have requested that we audit the financial statements of the City of McAlester (the "City"), which comprise governmental activities, business-type activities, each major fund and aggregate remaining fund information as of and for the year-ended June 30, 2013 which collectively comprise the basic financial statements. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

Our audit will be conducted with the objective of our expressing an opinion on the financial statements.

We will also perform the audit of the City as of June 30, 2013, so as to satisfy the audit requirements imposed by the Single Audit Act and the U. S. Office of Management and Budget (OMB) Circular No. A-133.

The Responsibilities of the Auditor

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (GAAS); *Government Auditing Standards* issued by the Comptroller General of the United States; the provisions of the Single Audit Act, OMB Circular A-133, and OMB's Compliance Supplement. Those standards, circulars, and supplements require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS. Also, an audit is not designed to detect errors or fraud that are immaterial to the financial statements.

The determination of abuse is subjective; therefore, *Government Auditing Standards* do not expect us to provide reasonable assurance of detecting abuse.

In making our risk assessments, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

We will also communicate to the audit committee (a) any fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements that becomes known to us during the audit, and (b) any instances of noncompliance with laws and regulations that we become aware of during the audit (unless they are clearly inconsequential).

Our audit will include all of the City's accounts and funds in effect as of and during the year ended June 30, 2013.

The component units whose financial statements you have told us are to be included as part of the City of McAlester's financial statements are:

Blended Component Units

McAlester Public Works Authority
McAlester Airport Authority
McAlester Municipal Improvement Authority

Discrete Component Units

McAlester Regional Health Center Authority
McAlester Parking Authority

There are no component units whose financial statements you have told us will be omitted from the basic financial statements.

You will provide us with a preliminary schedule of expenditures of federal awards, covering Federal expenditures for the period from July 1, 2012 through June 30, 2013, by July 31, 2013.

We will make our preliminary determination of major programs from this schedule. A final schedule of expenditures of federal awards will be provided to us by November 15, 2013.

Our reports on internal control will include any significant deficiencies and material weaknesses in controls of which we become aware as a result of obtaining an understanding of internal control and performing tests of internal control consistent with requirements of the standards and circulars identified above. Our reports on compliance matters will address material errors, fraud, abuse, violations of compliance obligations, and other responsibilities imposed by state and federal statutes and regulations or assumed by contracts, and any state or federal grant, entitlement, or loan program questioned costs of which we become aware, consistent with requirements of the standards and circulars identified above.

The Responsibilities of Management and Identification of the Applicable Financial Reporting Framework

Our audit will be conducted on the basis that management acknowledge and understand that they have responsibility:

- a. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
- b. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- c. For establishing and maintaining effective internal control over financial reporting and for informing us of all significant deficiencies and material weaknesses in the design or operation of such controls of which it has knowledge;
- d. For (a) making us aware of significant vendor relationships where the vendor is responsible for program compliance, (b) following up and taking corrective action on audit findings, including the preparation of a summary schedule of prior audit findings, and a corrective action plan, and (c) report distribution including submitting the reporting package(s); and
- e. To provide us with:
 - (1) Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters;
 - (2) Additional information that we may request from management for the purpose of the audit;
 - (3) Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence;
 - (4) When applicable, a summary schedule of prior audit findings for inclusion in the single audit reporting package; and
 - (5) If applicable, responses to any findings reported on the schedule of findings and questioned costs.

As part of our audit process, we will request from management and when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit including among other items:

- a. That management has fulfilled its responsibilities as set out in the terms of this letter; and
- b. That it believes the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management is responsible for identifying and ensuring that the City complies with the laws and regulations applicable to its activities, and for informing us about all known material violations of such laws or regulations. In addition, management is responsible for the design and implementation of programs and controls to prevent and detect fraud or abuse, and for

informing us about all known or suspected fraud or abuse affecting the entity involving management, employees who have significant roles in internal control, and others where the fraud or abuse could have a material effect on the financial statements or compliance. Management is also responsible for informing us of its knowledge of any allegations of fraud or abuse or suspected fraud or abuse affecting the entity received in communications from employees, former employees, analysts, regulators, short sellers, or others.

Management is responsible for the preparation of the required supplementary information (RSI) and supplementary information presented in relation to the financial statements as a whole in accordance with accounting principles generally accepted in the United States of America. Management agrees to include the auditor's report on the RSI and supplementary information in any document that contains the supplementary information and that indicates that the auditor has reported on such RSI and supplementary information. Management also agrees to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and the auditor's report thereon.

The Audit Committee of the City Council is responsible for informing us of its views about the risks of fraud or abuse within the entity, and its knowledge of any fraud or abuse or suspected fraud or abuse affecting the entity.

You have informed us that you may issue public debt in the future and that you may include our report on your financial statements in the offering statement. You have further informed us that you do not intend that we be associated with the proposed offering

We agree that our association with any proposed offering is not necessary, providing City of McAlester agrees to clearly indicate that we are not associated with the contents of any such official statement or memorandum. City of McAlester agrees that the following disclosure will be prominently displayed in any such official statement or memorandum:

Cole & Reed P.C., our independent auditor, has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Cole & Reed P.C., also has not performed any procedures relating to this official statement.

City of McAlester's Records and Assistance

If circumstances arise relating to the condition of the City's records, the availability of appropriate audit evidence, or indications of a significant risk of material misstatement of the financial statements because of error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment, prevent us from completing the audit or forming an opinion, we retain the unilateral right to take any course of action permitted by professional standards, including declining to express an opinion, issue a report, or withdraw from the engagement.

During the course of our engagement, we may accumulate records containing data that should be reflected in the City's books and records. The City will determine that all such data, if necessary, will be so reflected. Accordingly, the City will not expect us to maintain copies of such records in our possession.

The assistance to be supplied by City of McAlester personnel, including the preparation of schedules and analyses of accounts, has been and will be discussed and coordinated Ms. Judy Siemens, Director of Finance. The timely and accurate completion of this work is an essential condition to our completion of the audit and issuance of our audit report.

Other Relevant Information

From time to time and depending upon the circumstances, we may use third-party service providers to assist us in providing professional services to you. In such circumstances, it may be necessary for us to disclose confidential client information to them. We enter into confidentiality agreements with all third-party service providers and we are satisfied that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others.

In accordance with *Government Auditing Standards*, a copy of our most recent peer review report is enclosed, for your information.

Fees, Costs, and Access to Workpapers

Our fees for the audit and accounting services described above are based upon the value of the services performed and the time required by the individuals assigned to the engagement, plus direct expenses. Our fee estimate and completion of our work is based upon the following criteria:

- a. Anticipated cooperation from City personnel
- b. Timely responses to our inquiries
- c. Timely completion and delivery of client assistance requests
- d. Timely communication of all significant accounting and financial reporting matters
- e. The assumption that unexpected circumstances will not be encountered during the engagement

Our fees are based on the time required by the individuals assigned to the engagement, plus direct expenses. Interim billings will be submitted as work progresses and as expenses are incurred. Our fee for the services described in this letter will be as follows:

- Financial statement audit \$ 35,000
- OMB Circular A-133 audit requirements, only if required:
 - Per Major Program \$ 2,500

Note that the fees related to the OMB Circular A-133 audit requirements are only billed on an "if performed/if required" basis.

Our fees for the services described in this letter will not exceed the amount listed above, unless any of the aforementioned criteria are not met, in which case we will discuss the situation with you before proceeding. Other factors that could cause an adjustment to the professional fees would be the addition new funds not previously communicated to us, changes in laws and regulations, accounting principles, auditing standards, and other matters that increase the amount of work required to complete the audit. All other provisions of this letter will survive any fee adjustment.

Our professional standards require that we perform certain additional procedures, on current and previous years' engagements, whenever a partner or professional employee leaves the firm and is subsequently employed by or associated with a client in a key position. Accordingly, the City agrees it will compensate Cole & Reed, P.C. for any additional costs incurred as a result of the City's employment of a partner or professional employee of Cole & Reed.

In the event we are requested or authorized by the City or are required by government regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagement for the City, the City will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

The documentation for this engagement is the property of Cole & Reed. However, you acknowledge and grant your assent that representatives of the cognizant or oversight agency or their designee, other government audit staffs, and the U.S. Government Accountability Office shall have access to the audit documentation upon their request and that we shall maintain the audit documentation for a period of at least three years after the date of the report, or for a longer period if we are requested to do so by the cognizant or oversight agency. Access to requested documentation will be provided under the supervision of Cole & Reed audit personnel and at a location designated by our Firm.

Reporting

We will issue a written report upon completion of our audit the City's financial statements. Our report will be addressed to the City Council. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

In addition to our report on the City's financial statements, we will also issue the following types of reports:

- A report on the fairness of the presentation of the City's schedule of expenditures of federal awards for the year ending June 30, 2013.
- Reports on internal control related to the financial statements, and major programs. These reports will describe the scope of testing of internal control and the results of our tests of internal controls.
- Reports on compliance with laws, regulations, and the provisions of contracts or grant agreements. We will report on any noncompliance which could have a material effect on

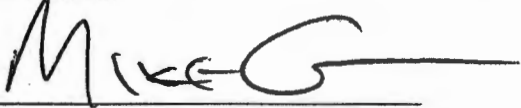
the financial statements and any noncompliance which could have a material effect, as defined by OMB Circular A-133, on each major program.

- A schedule of findings and questioned costs.

This letter constitutes the complete and exclusive statement of agreement between Cole & Reed and the City of McAlester, superseding all proposals, oral or written, and all other communications, with respect to the terms of the engagement between the parties.

Please sign and return this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements including our respective responsibilities.

Cole & Reed

A handwritten signature in black ink, appearing to read "Mike Gibson", written over a horizontal line.

Mike Gibson, Shareholder

Confirmed on behalf of the City Council:

Mayor

Management's acknowledgment of the agreement:

City Manager

Chief Financial Officer



CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

SYSTEM REVIEW REPORT

August 11, 2010

To the Shareholders of
Cole & Reed, P.C.
and the National Peer Review Committee.

We have reviewed the system of quality control for the accounting and auditing practice of Cole & Reed, P.C. (the firm) applicable to the non-SEC issuers in effect for the year ended April 30, 2010. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under the *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Cole & Reed, P.C. applicable to non-SEC issuers in effect for the year ended April 30, 2010, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies) or fail. Cole & Reed, P.C. has received a peer review rating of pass.

A handwritten signature in cursive script that reads "Brady Martz".

Brady, Martz & Associates, P.C.

BRADY, MARTZ & ASSOCIATES, P.C.
401 Demers Avenue Suite 300 P.O. Box 14296
Grand Forks, ND 58208-4296 (701) 775-4685 Fax (701) 795-7498

OTHER OFFICES: Minot and Bismarck, ND
Thief River Falls, MN

RSM McGladrey Network
An Independently Owned Member



AICPA Peer Review Program
Administered by the
National Peer Review Committee

November 19, 2010

James Harley Denny, CPA
Cole & Reed P C
531 Couch Dr
Oklahoma City, OK 73102

Dear Mr. Denny:

It is my pleasure to notify you that on November 17, 2010 the National Peer Review Committee accepted the report on the most recent system peer review of your firm. The due date for your next review is October 31, 2013. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Sincerely,

Robert Rohweder
Chair—National PRC
nprc@aicpa.org 919 402-4502

cc: Ronald Johnke, CPA

Firm Number: 10090252 Review Number: 309380

June 28, 2013

City Council and
Finance and Audit Committee
City of McAlester
McAlester, Oklahoma

This letter is intended to communicate certain matters related to the planned scope and timing of our audit of City of McAlester's financial statements and compliance as of and for the year ended June 30, 2013.

Communication

Effective two-way communication between our Firm and the members of the Finance and Audit Committee is important to understanding matters related to the audit and in developing a constructive working relationship.

Your insights may assist us in understanding the City of McAlester and its environment, in identifying appropriate sources of audit evidence, and in providing information about specific transactions or events. We will discuss with you your oversight of the effectiveness of internal control and any areas where you request additional procedures to be undertaken. We expect that you will timely communicate with us any matters you consider relevant to the audit. Such matters might include strategic decisions that may significantly affect the nature, timing, and extent of audit procedures, your suspicion or detection of fraud, or any concerns you may have about the integrity or competence of senior management.

We will timely communicate to you any fraud involving senior management and other fraud that causes a material misstatement of the financial statements, illegal acts, instances of noncompliance, or abuse that come to our attention (unless they are clearly inconsequential), and disagreements with management and other serious difficulties encountered in performing the audit. We also will communicate to you and to management any significant deficiencies or material weaknesses in internal control that become known to us during the course of the audit. Other matters arising from the audit that are, in our professional judgment, significant and relevant to you in your oversight of the financial reporting process will be communicated to you in writing after the audit.

Independence

Our independence policies and procedures are designed to provide reasonable assurance that our firm and its personnel comply with applicable professional independence standards. Our policies address financial interests, business and family relationships, and non-audit services that may be thought to bear on independence. For example, without our permission no partner or professional employee of Cole & Reed is permitted to own any direct financial interest or a material indirect financial interest in a client or any affiliates of a client. Also, if an immediate family member or close relative of a partner or professional employee is employed by a client in a key position, the incident must be reported and resolved in accordance with Firm policy. In addition, our policies restrict certain non-audit services that may be provided by Cole & Reed and require audit clients to accept certain responsibilities in connection with the provision of permitted non-attest services.

Audit Planning Process

Our audit approach places a strong emphasis on obtaining an understanding of how your entity functions. This enables us to identify key audit components and tailor our procedures to the unique aspects of your entity. The development of a specific audit plan will begin by meeting with you and with management to obtain an understanding of business objectives, strategies, risks, and performance.

We will obtain an understanding of internal control over financial reporting and compliance with laws, regulations, and provisions of contracts and grant agreements to assess the impact of internal control on determining the nature, timing, and extent of audit procedures, and we will establish an overall materiality limit for audit purposes. We will conduct formal discussions among engagement team members to consider how and where your financial statements might be susceptible to material misstatement due to fraud or error or to instances of noncompliance.

We will use this knowledge and understanding, together with other factors, to first assess the risk that errors or fraud may cause a material misstatement at the financial statement level. The assessment of the risks of material misstatement at the financial statement level provides us with parameters within which to design the audit procedures for specific account balances and classes of transactions. Our risk assessment process at the account-balance or class-of-transactions level consists of:

- An assessment of inherent risk (the susceptibility of an assertion relating to an account balance or class of transactions to a material misstatement, assuming there are no related controls); and
- An evaluation of the design effectiveness of internal control over financial reporting and our assessment of control risk (the risk that a material misstatement could occur in an assertion and not be prevented or detected on a timely basis by the City of McAlester's internal control).

Similar assessments will also be made relative to compliance with laws, regulations, and provisions of contracts and grant agreements.

We will then determine the nature, timing and extent of tests of controls and substantive procedures necessary given the risks identified and the controls as we understand them.

The Concept of Materiality in Planning and Executing the Audit

In planning the audit, the materiality limit is viewed as the maximum aggregate amount of misstatements, which if detected and not corrected, would cause us to modify our opinion on the financial statements. The materiality limit is an allowance not only for misstatements that will be detected and not corrected but also for misstatements that may not be detected by the audit. Our assessment of materiality throughout the audit will be based on both quantitative and qualitative considerations. Because of the interaction of quantitative and qualitative considerations, misstatements of a relatively small amount could have a material effect on the current financial statements as well as financial statements of future periods. At the end of the audit, we will inform you of all individual unrecorded misstatements aggregated by us in connection with our evaluation of our audit test results.

Internal Control and Compliance

Our audit of the financial statements will include obtaining an understanding of internal control sufficient to plan the audit and to determine the nature, timing, and extent of audit procedures to be performed. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Our review and understanding of the entity's internal control is not undertaken for the purpose of expressing an opinion on the effectiveness of internal control.

We will issue reports on internal control related to the financial statements and major programs. These reports describe the scope of testing of internal control and the results of our tests of internal controls. Our reports on internal control will include any significant deficiencies and material weaknesses in the system, of which we become aware as a result of obtaining an understanding of internal control and performing tests of internal control consistent with the requirements of the Government Auditing Standards issued by the Comptroller General of the United States, the Single Audit Act, and, if applicable, the U.S. Office of Management and Budget, (OMB) Circular No. A-133.

We will issue reports on compliance with laws, regulations, and the provisions of contracts or grant agreements. We will report on any noncompliance which could have a material effect on the financial statements and any noncompliance which could have a direct and material effect on each major program. Our reports on compliance will address material errors, fraud, abuse, violations of compliance requirements, and other responsibilities imposed by state and federal statutes and regulations and assumed contracts; and any state or federal grant, entitlement or loan program questioned costs of which we become aware, consistent with the requirements of the standards and circular identified above.

Timing of the Audit

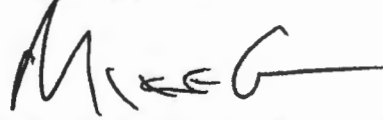
Fieldwork is scheduled to begin in late November 2013. If the financial statements are received by October 31, 2013, we will plan to issue the audit reports in early December 2013 and to meet with the City Council at a December 2013 meeting. Management's adherence to its closing schedule and timely completion of information used by us in performance of the audit is essential to meeting this schedule and completing our audit on a timely basis.

Closing

This letter is intended solely for the information and use of the members of the City Council and Finance and Audit Committee, and management, of the City of McAlester and is not intended to be and should not be used by anyone other than the specified parties.

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to be of service to the City of McAlester.

Very truly yours,

A handwritten signature in black ink, appearing to read "Mike Gibson", written over a horizontal line.

Cole & Reed
Mike Gibson, Partner

Auditor Rating Sheet

Company	# of employees	Proposal Fee	City/Government Experience	Contact/Reference Check	Adequate Staff Yes/No	Rating 1 - 5 5=Highest
Turner & Assoc., PLC- Vinita, OK	2 supervisors + 5 support staff	\$32,000	City of Commerce, City of Dewey, City of Miami, Various School Districts, Town of Bernice, various RWD			
Anne Marie Elfrink, CPA	2	\$19,960	City of Yale, City of Mustang, Claremore Industrial and Economic Development Authority, Town of Davenport			
Cole & Feerd, P.C. - Oklahoma City	Assigned to Audit: Partner, Manager, Senior, and 2 Staff	\$35,000 plus \$2500 Single Audit	City of Norman, Owasso, Midwest City, Union Public Schools, Tulsa Public Schools, Oklahoma State University, University of Oklahoma, Oklahoma City Public Schools, etc			
Wingard, Ragsdale, & Langley CPAs PLLC	Partner, Manager, Senior, Assistants	\$28,500	City of Claremore, City of Pryor, City of Catoosa,			
Arledge & Associates, PC	Assigned to Audit: Partner, Manager, Senior, Staff, and Admin.	\$34,500 (includes single audit)	City of Edmond, City of Broken Arrow, City of Durant, City of Henryetta			

July 2, 2013

To: McAlester City Council

From: City of McAlester Audit and Finance Committee

Subject: 2012/2013 Annual Audit – Contractor Bid Review and Recommendations

The committee met recently to review and discuss the bids received for conducting the 2012/2013 City of McAlester Annual Audit. Several bids were received and the committee evaluated the bids based upon several factors listed below:

1. Experience level the organization had with conducting audits on cities of similar sizes
2. Reputation of the organization and review of references
3. Size of the organization
4. Man-hours and bid price submitted
5. Likelihood of being able to complete audit within the time frame outlined in the City Charter.

Based upon the above factors the committee is recommending that Cole and Reed be award the contract for the 2012/2013 Annual Audit with the clarification for the need to complete the audit within the time frame outlined in the City Charter. City Management is to set out clear expectation and the contractor is to notify the city staff of any delays in meeting expectations as they become aware of the issue.


The committee also recommends during the next Charter Revision that the requirement for allowing for only single year contracts for conducting the Annual Audit be removed thus allowing multi-year contracts. The committee believes this will result in lower cost and better service allowing for 3 year contracts to be issued.

Thank you for your time and consideration.



Stephen Foster

Chairman



Walter Bethune

Citizen Member

Carl Gullick

Citizen Member

Meeting Minutes

Audit & Finance Advisory Committee Quarterly Meeting

Wednesday, June 13, 2013, 4:00 p.m.

City Hall, 2nd Floor Conference Room

28 E. Washington, McAlester, OK 74501

Present: Chairman, Stephen Foster; Citizen Member Mr. Walter Bethune, Citizen Member; Carl Gullick; Citizen Member; Steve Harrison, Mayor; Sam Mason, Vice-Mayor and Council Member Weldon Smith

Absent: Ms. Melissa Walker, Citizen Member

Staff Members Present: Mr. Peter J. Stasiak, City Manager and Ms. Toni Ervin, CFO

Others Present:

Pursuant to notice duly given, the Meeting of the Audit and Finance Advisory Committee convened at 4:00 p.m. on June 20th, 2013.

Call to Order

The meeting was called to order by Chairman Foster. He noted that a quorum was present.

Approval of Minutes

The Minutes of the March 27, 2013, were approved as written.

AYE: Chairman, Stephen Foster; Citizen Member Mr. Walter Bethune, Citizen Member Carl Gullick, Citizen.

NAY: None

Review of Independent Auditor Bids for 2013-2014 for the City of McAlester Auditing Service and make recommendation to City Council. *(Toni Ervin, CFO)*

The Committee went over the complete bid packages from each firm. Ms. Ervin answered questions regarding bid summary sheet. After the discussion of quality, speed, cost, and accuracy, the committee came to the conclusion to recommend Cole and Reed for the 2012-2013 audit. Mr. Foster stated he would write up the recommendation letter and forward to each member to sign.

Financial Update as of May 31, 2013 - (Toni Ervin, Chief Financial Officer)

Ms. Ervin presented the Committee with a Financial Summary for General Fund and MPWA as of May 31, 2013. (See attached presentation). Revenues in both funds as of May 31st are under budget, but it is within the projected amounts in which the budget has been adjusted. She also passed out a Sales Tax Summary-Budget Analysis as of 6/2013 showing the Fiscal year 2012-2013 Sales Tax to be under budget \$989,585.

New Business.

None

Adjournment.

Meeting was adjourned at 5:30 p.m.

If there is an item that a committee member would like to have on the agenda it can be sent to Chairman Foster at sfoster@tenaska.com

Attachments on File.

APPROVAL:

Steve Foster, Chairman

Date _____



McAlester City Council

AGENDA REPORT

Meeting Date: July 9, 2013
Department: Engineering
John C. Modzelewski, P.E.,
Prepared By: CFM
Date Prepared: July 2, 2013

Item Number: 10
Account Code: 33-5871515
Budgeted Amount: \$145,598
Exhibits: 3

Subject

Consider, and act upon a Work Order for Professional Services with Mehlburger Brawley for engineering services required for the design of the 2013 Community Development Block Grant (CDBG) Small Cities Water Improvements.

Recommendation

Motion to approve and authorize the Mayor to sign the Work Order for Professional Services for Mehlburger Brawley for Professional Engineering Services to complete work required for the 2013 Community Development Block Grant (CDBG) Small Cities Water Improvements upon review and approval of the City Attorney's office. Estimated fee for Professional Services including Engineering and Inspection is \$20,349.


Discussion

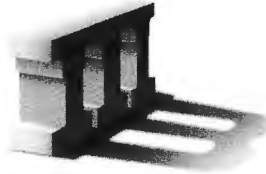
The City of McAlester was awarded a grant of \$72,771 to complete the referenced project. This project is a 1:1 match with a Total Project Cost of \$145,569.50

On behalf of the City of McAlester, the Engineering Division solicited proposals from four (4) engineering firms in Oklahoma as required by the Department of Commerce. The Engineering Division's Selection Committee reviewed proposals from these firms. Mehlburger Brawley was rated the highest due to the firm's experience with the City, and having a local office. Copies of the Work Order for Professional Services, Project Location Map and Project Cost Estimate are enclosed.

Per the attached copy of Mehlburger Brawley's Work Order for Professional Services, the fee for engineering services is to be \$20,239. This includes the design and construction phases of this project.

Approved By

	Initial	Date
Department Head	JCM	07/02/13
City Manager	P. Stasiak 	07/03/13



MEHLBURGER BRAWLEY

Work Order for Professional Services

City of McAlester

Project Number MC-13-01

This will constitute authorization by the City of McAlester (Owner) for Mehlburger Brawley (Engineer) to proceed with the following described as "Project":

Project Name: 2013 CDBG Water System Improvements

Project Description: Engineering Services for the 2013 CDBG Water System Improvements including 6-inch water line along Birch Street, from Park Avenue to Townsend Avenue and also along West Street from the County Jail to Short Stonewall Avenue.

- Prepare Engineering Plans and Specifications, for the referenced project.
- Prepare Application for "Permit to Construct" and Coordinate Submittal of P&S to the Oklahoma Department of Environmental Quality for construction permit.
- Upon City approval of plans, prepare bid packages, and assist owner in obtaining bids from contractors for the construction of the improvements.
- Prepare contract documents, coordinate contract execution and preconstruction conference.
- Provide construction management services including review and approve material submittals, shop drawings, contractors pay estimates, change order requests, and work performed by the contractor.
- Provide Resident Project Representative Services during Construction.
- Perform all work in accordance with STANDARD FORM OF AGREEMENT BETWEEN OWNER AND ENGINEER FOR PROFESSIONAL SERVICES as prepared by ENGINEERS JOINT CONTRACT DOCUMENTS COMMITTEE (EJCDC).

For performing the services described, the Engineer is to be paid based on a lump sum basis. The engineering fee for the project is \$14,200.00 and \$5,800.00 for Resident Project Representative. DEQ Permit fee will be a reimbursable expense, estimated at \$349.50.

The fee for engineering services shall be further broken down as follows:

Engineering Design Phase	\$ 9,940.00
Engineering Bidding Phase	\$ 1,420.00
Engineering Construction Phase	\$ 2,840.00
Resident Project Representative, during construction	\$ 5,800.00
DEQ Permit Fee (Estimated)	<u>\$ 349.50</u>
Total Fees	\$ 20,349.50


APPROVED:
City of McAlester

By: _____
Steve Harrison
Mayor

ATTEST:

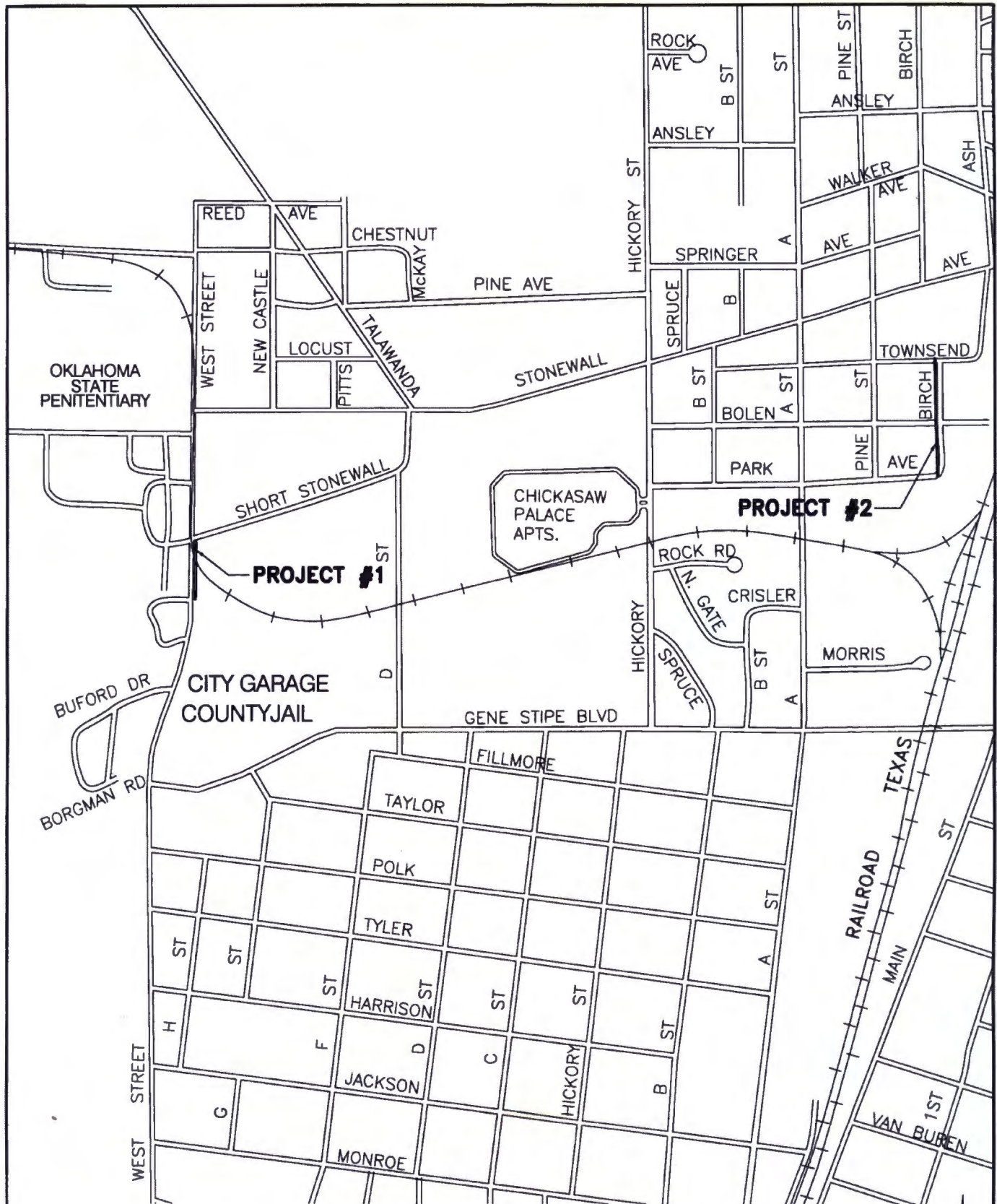
DATE: _____

ACCEPTED:
Mehlburger Brawley

By: _____
Dale Burke, P.E.
President

ATTEST:

_____
Robert Vaughan, P.E.
Branch Manager




CITY OF MCALESTER

CDBG PROJECT LOCATION MAP

SCALE: 1" = 800'

MAY 2, 2013

 MEHLBURGER BRAWLEY	Opinion of Probable Construction Cost	
	City of McAlester	
	May 2, 2013	
	Page 1 of 1	Project # TBD

2013 CDBG Water Improvements

Project # 1: West Street, From County Jail to Short Stonewall

Item	Description	Unit	Qty	Unit Price	Total Price
1	6" AWWA C900 DR 18 PVC Water Main	Linear Foot	450	\$ 40.00	\$ 18,000.00
2	6" Gate Valves	Each	2	\$ 1,600.00	\$ 3,200.00
3	Connection to Existing 6" water Main	Each	1	\$ 3,500.00	\$ 3,500.00
4	Connection to Existing 4" Water Main	Each	1	\$ 3,250.00	\$ 3,250.00
5	New Fire Hydrant Assembly	Each	1	\$ 3,500.00	\$ 3,500.00
6	Short Water Service Reconnection	Each	2	\$ 1,000.00	\$ 2,000.00
7	Long Water Service Reconnection including road bores	Each	0	\$ 1,500.00	\$ -
7	Concrete Street Crossing Repair	Linear Foot	40	\$ 80.00	\$ 3,200.00
8	Asphalt Street Crossing Repair	Linear Foot	135	\$ 80.00	\$ 10,800.00
Construction Sub Total					\$ 47,450.00

Project # 2: Birch Street from Park Ave to Townsend Ave.

Item	Description	Unit	Qty	Unit Price	Total Price
1	6" AWWA C900 DR 18 PVC Water Main	Linear Foot	760	\$ 40.00	\$ 30,400.00
2	6" Gate Valves	Each	3	\$ 1,600.00	\$ 4,800.00
3	Connection to Existing 6" water Main	Each	2	\$ 3,500.00	\$ 7,000.00
4	Connection to Existing 4" Water Main	Each	1	\$ 3,250.00	\$ 3,250.00
5	New Fire Hydrant Assembly	Each	2	\$ 3,500.00	\$ 7,000.00
6	Short Water Service Reconnection	Each	4	\$ 1,000.00	\$ 4,000.00
7	Long Water Service Reconnection including road bores	Each	5	\$ 1,500.00	\$ 7,500.00
8	Asphalt Street Crossing Repair	Linear Foot	100	\$ 80.00	\$ 8,000.00
Construction Sub Total					\$ 71,950.00
Total Construction Estimate					\$ 119,400.00
Engineering Fees					\$ 14,200.00
Resident Project Representative Fee					\$ 5,800.00
ODEQ Construction Permit Fee					\$ 349.50
CDBG Administration Fee					\$ 5,820.00
Total Project Cost					\$ 145,569.50

The costs shown are estimated costs and represent our best judgment; however these estimated costs are not guarantees that the actual costs will not vary from these estimated costs.

Proposed Project Funding	
2013 CDBG Grant	\$ 72,771.00
City of McAlester Cash Match	\$ 72,798.50
Total Funds	\$ 145,569.50



McAlester City Council

AGENDA REPORT

Meeting Date:	<u>July 9, 2013</u>	Item Number:	<u>11</u>
Department:	<u>Public Works- Engineering</u>		
	<u>John C. Modzelewski,</u>		
Prepared By:	<u>P.E.,CFM</u>	Account Code:	<u>30-5211405</u>
Date Prepared:	<u>July 2, 2013</u>	Budgeted Amount:	<u>\$150,130.00</u>
		Exhibits:	<u>3</u>

Subject

Consider, and act upon, Final and Contractor's Pay Estimate No. 2 – Final for the Taylor Industrial Park 8-Inch Main Water Improvements Project resulting in a final contract amount of \$150,130.00.

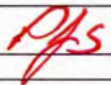
Recommendation

Motion to approve final payment for the Taylor Industrial Park 8-Inch Main Water Improvements Project to R & M Utilities, Inc. of Prague, Oklahoma and authorization for the Mayor to sign the Final Application of Payment.

Discussion

The Contractor for the Taylor Industrial Park 8-Inch Main Water Improvements Project, R & M Utilities, Inc. has completed all work associated with the project. Attached is the Contractor's Certification and Guarantee that all work has been completed in accordance with the contract documents. This document also includes the written warranty for one year from effective date of completion, March 14, 2013, and certification that all bills have been paid and no liens exist. The City's Engineer on the Project, Mehlburger Brawley, Inc. has recommended approval of the Final Pay Estimate. Funds are available in the Capital Outlay account for final payment.

Approved By

		<i>Initial</i>	<i>Date</i>
Department Head		JM	07/02/13
City Manager	P. Stasiak		07/03/13

ENGINEER'S CERTIFICATE OF COMPLETION

I, Robert Vaughan, P.E., of the firm of Mehlburger Brawley,
A registered professional Engineer in the State of Oklahoma, and project
Engineer for City of McAlester / McAlester of Pittsburg County, Oklahoma, for
certain improvements consisting of:

Steven Taylor Industrial Park 8-Inch Water Main Improvements

Do hereby concur that the above referred to improvements were accomplished according
to approved plans and specifications and/or duly authorized change orders, to the best of
my knowledge, information and belief. This Certification is for the benefit of the OWNER
listed above to finalize the project quantities and payment.

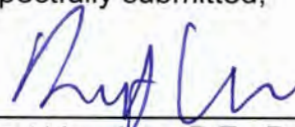
McKee Utility Contractors, Inc. of Prague, Oklahoma is the prime contractor on this job.

A final field observation of the project was completed.

I DO HEREBY APPROVE THE ABOVE REFERRED TO IMPROVEMENTS, AND
RECOMMEND APPROVAL TO THE CITY OF MCALESTER / MCALESTER PUBLIC
WORKS AUTHORITY.

Dated this 26th day of June, 2013.

Respectfully submitted,


Robert Vaughan, P.E., Project Manager

Warranty period will be for 1 year and begin on the 14th day of March, 2013.

Accepted: City of McAlester / McAlester PWA Acknowledged: R & M Utilities, Inc.

This the 3 day of July,
2013.

By: 
Signature

David Medley, Utilities Director
Typed Name/Title

This the 17th day of June,
2013.

By: 
Signature

Roger McKee, President
Typed Name/Title

CONTRACTOR'S CERTIFICATION AND GUARANTEE

Date: 4/1/13

Project: Steven Taylor Industrial Park 8-inch Water Main Improvements

Owner: City of McAlester / McAlester Public Works Authority

Contractor: R & M Utilities, Inc.

R & M Utilities, Inc. hereby certifies that all work on the above referenced project has been completed in accordance with the contract documents for the project.

We also certify that all bills have been paid and upon receipt of \$ 150,130.00, representing final project payment, we do hereby waive our right to lien against the above project.

Furthermore we guarantee all materials and equipment furnished and Work performed for a period of one (1) year from the effective date of completion, March 14, 2013.

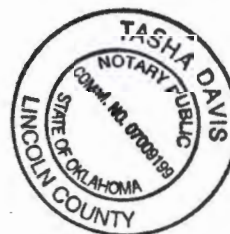
By: Roger McKel

Date: 4/1/13

Subscribed and sworn to before me this 01 day of April, 20 13

Tasha Davis
Notary Public

My Commission Expires: 01-21-2015



2 Contractor's Application For Payment No. #1 FINAL

To (Owner): City of McAlester	Application Period:	Application Date: 06-17-2013
Project: Steven Taylor Industrial Park 8-inch Water Main Improvements	From (Contractor): Construction	Via (Engineer):
Owner's Contract No.: MC-11-05	Contract:	Original (Days): Revised (Days): Remaining (Days):
	Contractor's Project No.:	Engineer's Project No.: MC-11-05

Application for Payment

Change Order Summary

Approved Change Orders				
Number	Additions	Deductions		
			1. ORIGINAL CONTRACT PRICE	\$ 150,130.00
			2. Net change by Change Orders	\$ -
			3. CURRENT CONTRACT PRICE (Line 1 ± 2)	\$ 150,130.00
			4. TOTAL COMPLETED AND STORED TO DATE (Column F on Progress Estimate)	\$ 150,130.00
			5. RETAINAGE:	
			a. 0% x \$ 150,130.00 Work Complete	\$ -
			b. 0% x \$ - Stored Materials	\$ -
			c. Total Retainage (Line 5a + Line 5b)	\$ -
			6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5c)	\$ 150,130.00
			7. LESS PREVIOUS PAYMENTS (Line 6 from prior Application)	\$ 142,623.50
			8. AMOUNT DUE THIS APPLICATION	\$ 7,506.50
			9. BALANCE TO FINISH, PLUS RETAINAGE (Column G on Progress Estimate + Line 5 above)	\$ -
TOTALS	\$ -	\$ -		
NET CHANGE BY		\$ -		
CHANGE ORDERS				

Contractor's Certification

The undersigned Contractor certifies that: (1) all previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with Work covered by prior Applications for Payment; (2) title of all Work, materials and equipment incorporated in said Work or otherwise listed in or covered by this Application for Payment will pass to Owner at time of payment free and clear of all Liens, security interests and encumbrances (except such as are covered by a Bond acceptable to Owner indemnifying Owner against any such Liens, security interest or encumbrances); and (3) all Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

By: Roger McKee Date: 6/17/13

Payment of: \$ 7,506.50
(Line 8 or other - attach explanation of other amount)

is recommended by: [Signature] 6/20/2013
(Engineer) (Date)

Payment of: \$ 7,506.50
(Line 8 or other - attach explanation of other amount)

is approved by: _____
(Owner) (Date)

Approved by: _____
Funding Agency (if applicable) (Date)

Progress Estimate (UNIT ITEM BIDS)

Contractor's Application

[illegible]

2 Contractor's Application For Payment No. #1 FINAL

To (Owner): City of McAlester	Application Period: From (Contractor): Construction	Application Date: 06-17-2013
Project: Steven Taylor Industrial Park 8-inch Water Main Improvements	Contract:	Via (Engineer):
Owner's Contract No.: MC-11-05	Contractor's Project No.:	Original (Days): Revised (Days): Remaining (Days):
		Engineer's Project No.: MC-11-05

Application for Payment

Change Order Summary

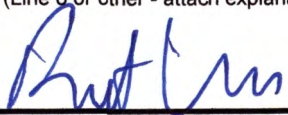
Approved Change Orders				
Number	Additions	Deductions		
			1. ORIGINAL CONTRACT PRICE	\$ 150,130.00
			2. Net change by Change Orders	\$ -
			3. CURRENT CONTRACT PRICE (Line 1 + 2)	\$ 150,130.00
			4. TOTAL COMPLETED AND STORED TO DATE (Column F on Progress Estimate)	\$ 150,130.00
			5. RETAINAGE:	
			a. 0% x \$ 150,130.00 Work Complete	\$ -
			b. 0% x \$ - Stored Materials	\$ -
			c. Total Retainage (Line 5a + Line 5b)	\$ -
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By: Roger McKel Date: 6/17/13

Payment of: \$ 7,506.50
(Line 8 or other - attach explanation of other amount)

is recommended by:  6/26/2013
(Engineer) (Date)

Payment of: \$ 7,506.50
(Line 8 or other - attach explanation of other amount)

is approved by: _____
(Owner) (Date)

Approved by: _____
Funding Agency (if applicable) (Date)

Progress Estimate (UNIT ITEM BIDS)

Contractor's Application

[illegible]

2 Contractor's Application For Payment No. #1 FINAL

To (Owner): City of McAlester	Application Period:	Application Date: 06-17-2013
Project: Steven Taylor Industrial Park 8-inch Water Main Improvements	From (Contractor): Construction	Via (Engineer):
Owner's Contract No.: MC-11-05	Contract:	Original (Days): Revised (Days): Remaining (Days):
	Contractor's Project No.:	Engineer's Project No.: MC-11-05

Application for Payment

Change Order Summary

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			b. 0% x \$ - Stored Materials	\$ -
			c. Total Retainage (Line 5a + Line 5b)	\$ -
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NET CHANGE BY		\$ -		
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By: Roger McKel Date: 6/17/13

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(Line 8 or other - attach explanation of other amount)

is recommended by: [Signature] 6/26/2013
(Engineer) (Date)

Payment of: \$ 7,506.50
(Line 8 or other - attach explanation of other amount)

is approved by: _____
(Owner) (Date)

Approved by: _____
Funding Agency (if applicable) (Date)

Progress Estimate (UNIT ITEM BIDS)

Contractor's Application

[illegible]

2

FINAL

Contractor's Application For Payment No. #1

To (Owner): City of McAlester		Application Period: From (Contractor): Construction		Application Date: 06-17-2013	
Project: Steven Taylor Industrial Park 8-inch Water Main Improvements		Contract:		Original (Days):	Revised (Days):
Owner's Contract No.: MC-11-05		Contractor's Project No.:		Engineer's Project No.: MC-11-05	

Application for Payment

Change Order Summary

Approved Change Orders					
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			1. ORIGINAL CONTRACT PRICE	\$	150,130.00
			2. Net change by Change Orders	\$	-
			3. CURRENT CONTRACT PRICE (Line 1 ± 2)	\$	150,130.00
			4. TOTAL COMPLETED AND STORED TO DATE (Column F on Progress Estimate)	\$	150,130.00
			5. RETAINAGE:		
			a. 0% x \$ 150,130.00 Work Complete	\$	-
			b. 0% x \$ - Stored Materials	\$	-
			c. Total Retainage (Line 5a + Line 5b)	\$	-
			6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5c)	\$	150,130.00
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TOTALS	\$ -	\$ -			
NET CHANGE BY		\$ -			
CHANGE ORDERS					

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By: Roger McKee Date: 6/17/13

Payment of: \$ 7,506.50
(Line 8 or other - attach explanation of other amount)

is recommended by: [Signature] 6/20/2013
(Engineer) (Date)

Payment of: \$ 7,506.50
(Line 8 or other - attach explanation of other amount)

is approved by: _____
(Owner) (Date)

Approved by: _____
Funding Agency (if applicable) (Date)

Progress Estimate (UNIT ITEM BIDS)

Contractor's Application

[illegible]

2 Contractor's Application For Payment No. #1 FINAL

To (Owner): City of McAlester	Application Period: From (Contractor): Construction	Application Date: 06-17-2013
Project: Steven Taylor Industrial Park 8-inch Water Main Improvements	Contract:	Via (Engineer):
Owner's Contract No.: MC-11-05	Contractor's Project No.:	Original (Days): Revised (Days): Remaining (Days):
		Engineer's Project No.: MC-11-05

Application for Payment

Change Order Summary

Approved Change Orders	Number	Additions	Deductions
TOTALS	\$ -	\$ -	\$ -
NET CHANGE BY		\$ -	
CHANGE ORDERS			

1. ORIGINAL CONTRACT PRICE	\$	150,130.00
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b. 0% x \$ - Stored Materials	\$	-
c. Total Retainage (Line 5a + Line 5b)	\$	-
6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5c)	\$	150,130.00
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By: Roger McKel Date: 6/17/13

Payment of: \$ 7,506.50
(Line 8 or other - attach explanation of other amount)

is recommended by: [Signature] 6/20/2013
(Engineer) (Date)

Payment of: \$ 7,506.50
(Line 8 or other - attach explanation of other amount)

is approved by: _____
(Owner) (Date)

Approved by: _____
Funding Agency (if applicable) (Date)

Progress Estimate (UNIT ITEM BIDS)

Contractor's Application

[illegible]

2 FINAL

Contractor's Application For Payment No. #1

Application Period:		Application Date: 06-17-2013	
To (Owner): City of McAlester		Via (Engineer):	
Project: Steven Taylor Industrial Park 8-inch Water Main Improvements		Contract:	Original (Days): Revised (Days): Remaining (Days):
Owner's Contract No.: MC-11-05		Contractor's Project No.:	Engineer's Project No.: MC-11-05

Application for Payment

Change Order Summary

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			a. 0% x \$ 150,130.00 Work Complete	\$ -
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			c. Total Retainage (Line 5a + Line 5b)	\$ -
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TOTALS	\$ -	\$ -		
NET CHANGE BY		\$ -		
CHANGE ORDERS				

Contractor's Certification

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By: Roger McKee Date: 6/17/13

Payment of: \$ 7,506.50
(Line 8 or other - attach explanation of other amount)

is recommended by: [Signature] 6/26/2013
(Engineer) (Date)

Payment of: \$ 7,506.50
(Line 8 or other - attach explanation of other amount)

is approved by: _____
(Owner) (Date)

Approved by: _____
Funding Agency (if applicable) (Date)

Progress Estimate (UNIT ITEM BIDS)

Contractor's Application

[illegible]

Council Chambers
Municipal Building
June 25, 2013

The McAlester Airport Authority met in a Regular session on Tuesday, June 25, 2013, at 6:00 P.M. after proper notice and agenda was posted June 21, 2013.

Present: Weldon Smith, John Titsworth, Travis Read, Buddy Garvin, Sam Mason
& Steve Harrison
Absent: Robert Karr
Presiding: Steve Harrison, Chairman

A motion was made by Mr. Smith and seconded by Mr. Read to approve the following:

- Approval of the Minutes from the June 11, 2013 Regular Meeting of the McAlester Airport Authority. *(Cora Middleton, City Clerk)*
- Confirm action taken on City Council Agenda Item B, regarding claims ending June 18, 2013. *(Toni Ervin, Chief Financial Officer)* In the amount of \$1,154.39.
- Confirm action taken on City Council Agenda Item 8, appointing an Authorized Agent for the City of McAlester's Defined Contribution Retirement Plan. *(Peter J. Stasiak, City Manager)*

There was no discussion, and the vote was taken as follows:

AYE: Trustees Garvin, Mason, Smith, Titsworth, Read & Chairman Harrison
NAY: None

Chairman Harrison declared the motion carried.

There being no further business to come before the Authority, Mr. Smith moved for the meeting to be adjourned, seconded by Mr. Read. There was no discussion and the vote was taken as follows:

AYE: Trustees Garvin, Mason, Smith, Titsworth, Read & Chairman Harrison
NAY: None

Chairman Harrison declared the motion carried.

ATTEST:

Steve Harrison, Chairman

Cora Middleton, Secretary

Council Chambers
Municipal Building
June 25, 2013

The McAlester Public Works Authority met in a Regular session on Tuesday, June 25, 2013, at 6:00 P.M. after proper notice and agenda was posted June 21, 2013.

Present: Weldon Smith, John Titsworth, Travis Read, Buddy Garvin, Sam Mason,
& Steve Harrison
Absent: Robert Karr
Presiding: Steve Harrison, Chairman

A motion was made by Mr. Garvin and seconded by Mr. Mason to approve the following:

- Approval of the Minutes from the June 11, 2013 Regular Meeting of the McAlester Public Works Authority. (*Cora Middleton, City Clerk*)
- Confirm action taken on City Council Agenda Item B, regarding claims ending June 18, 2013. (*Toni Ervin, Chief Financial Officer*) In the amount of \$228,884.87.
- Confirm action taken on City Council Agenda Item 1, an Ordinance amending Ordinance No. 2425 which established the budget for fiscal year 2012-2013; repealing all conflicting ordinances; providing for a severability clause; and declaring an emergency. (*Toni Ervin, CFO*)
- Confirm action taken on City Council Agenda Item 6, authorizing the Mayor to sign a contract between the City of McAlester and Katcon, Inc. to construct improvements to various concrete panels along portions of Electric Avenue. (*John Modzelewski, PE, City Engineer and Public Works Director*)
- Confirm action taken on City Council Agenda Item 7, Consider, and act upon, a request from Allied Waste/Republic Services increasing the solid waste collection rate for Residential customers by .43% based on the increase in the CPI for Urban Wage Earners and Clerical Workers "All Items Index" Midwest Region, Size Class D (50,000 or less) and the U.S. City Average, other Motor Fuels as of April 2013. Staff does not recommend passing increase on to Citizens. (*Peter J. Stasiak, City Manager*)
- Confirm action taken on City Council Agenda Item 8, appointing an Authorized Agent for the City of McAlester's Defined Contribution Retirement Plan. (*Peter J. Stasiak, City Manager*)

There was no discussion, and the vote was taken as follows:

AYE: Trustees Smith, Titsworth, Read, Garvin, Mason, & Harrison
NAY: None

Chairman Harrison declared the motion carried.

There being no further business to come before the Authority, Mr. Garvin moved for the meeting to be adjourned, seconded by Mr. Mason. There was no discussion and the vote was taken as follows:

AYE: Trustees Smith, Titsworth, Read, Garvin, Mason, & Harrison

NAY: None

Chairman Harrison declared the motion carried.

ATTEST:

Steve Harrison, Chairman

Cora Middleton, Secretary