

MINUTES OF THE REGULAR BOARD MEETING
CENTRAL OKLAHOMA MASTER CONSERVANCY DISTRICT

Thursday, November 7, 2024

6:30 P.M.

Location: 12500 Alameda Dr. Norman, OK 73026

A. Call to Order

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

Roll Call

Board Members Present:

Amanda Nairn

Michael Dean

Dave Ballew

Espaniola Bowen

Edgar O'Rear

Steve Carano

Bryan Hapke

Board Members Absent:

Staff Present:

Kyle Arthur, General Manager

Kelley Metcalf, Office Manager

Tim Carr, Operations & Maintenance Supervisor

Others Present:

Dean Couch

Mark Roberts, Midwest City

Rachel Croft, Norman

Carrie Evenson, Midwest City

Virtual

None

B. Statement of Compliance with Open Meeting Act

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

C. Administrative

1. Public Comment

None

2. Report- September 2024 financials

Mr. Ballew stated he compared the September Balance Sheet with the August Balance Sheet and found no significant changes.

Mr. Ballew is reconsidering the decision to only provide the Board with quarterly LPL Financial statements due to the Fed's announcement of another ½ a point. Mr. Ballew recommended including the latest LPL Statement at the next board meeting and having a more detailed discussion about our investment portfolio at the next meeting.

Mr. Arthur communicated that a Treasury Bill (T-Bill), in the amount of \$500,000 matured, but due to the agenda items that are forthcoming, those monies were not reinvested and are currently in the BancFirst 0014 account (Sweep acct).

Mr. Ballew then moved to the Profit and Loss statement. He asked Mr. Arthur regarding the \$7,000 increase in employees' wages. Mr. Arthur said it was due to his bonus and salary increase retroactive to July 1, 2024.

Mr. Ballew asked Mr. Arthur to clarify the Non-Budgeted Expense, 5834-ARPA Project, in the amount of \$153,669.52. Mr. Arthur said the expense was related to the construction costs of the new equipment building. Ms. Nairn shared that the associated labor costs, that were previously thought to not be reimbursable, are reimbursable, thanks to Mr. Arthur's determination.

Mr. Ballew asked if there were any questions on the Budget vs Actuals, and hearing none, Ms. Nairn moved to the action portion of the meeting.

D. Action: Pursuant to 82 OKLA. STATUTES, SECTION 541 (D) (10), the Board of Directors shall perform official actions by resolution and all official actions including final passage and enactment of all resolutions must be approved by a majority of the Board of Directors, a quorum being present, at a regular or special meeting. The following items may be discussed, considered, and approved, disapproved, amended, tabled or other action taken:

3. Minutes of the regular board meeting held on Thursday, October 3, 2024, and corresponding Resolution

Ms. Nairn asked if there were any questions, comments, or edits, hearing none she entertained a motion.

Bryan Hapke made a motion seconded by Michael Dean to approve the minutes and corresponding Resolution.

Roll call vote:

Amanda Nairn Yes
Michael Dean Yes
Dave Ballew Yes
Edgar O'Rear Yes
Española Bowen Yes
Steve Carano Yes
Bryan Hapke Yes
Motion Passed

4. Creation of a dedicated Large Equipment Asset Fund, and corresponding Resolution

Ms. Nairn reminded the Board that this subject was discussed in detail at the last meeting. She also stated Mr. Ballew has been subsequently informed since he was not present at the last Board meeting.

Mr. Arthur stated the Resolution is intended to capture three actions: (1) consideration of the creation of the fund, (2) an initial deposit of \$325,000, and (3) the mechanisms by which the fund may be financed.

Mr. Arthur proposed on the anniversary of the creation of the fund, monies needed for that year's purchases could be withdrawn. Mr. Arthur stated budget planning would begin in February or March, and funding preference could be determined by the Board at that time.

Ms. Nairn asked Mr. Arthur the gains on the equity mutual funds, so far, this fiscal year. Mr. Arthur stated at the end of October 2024, slightly under \$30,000.00.

Opinions were exchanged for adding the Large Equipment Asset Fund to the existing financials. Mr. Dean recommended not creating a separate account for this fund, but rather managing it within the District's existing portfolio. Additionally, he suggested creating a subaccount or other notation on the financial statements, as appropriate, to show the existence of the earmarked funds.

Dave Ballew made a motion seconded by Steve Carano to approve the creation of a dedicated Large Equipment Asset Fund and corresponding Resolution.

Roll call vote:

Amanda Nairn Yes
Michael Dean Yes
Dave Ballew Yes
Edgar O'Rear Yes
Española Bowen Yes
Steve Carano Yes
Bryan Hapke Yes
Motion Passed

5. Authorization for General Manager to utilize surplus funds for purchase of certain equipment, and corresponding Resolution

Mr. Arthur stated during the last meeting while discussing the Large Capital Equipment replacement schedule, two pieces of equipment were identified as needing to be replaced within the next two years: (1)

a 25-year-old backhoe, and (2) a 2012 skid steer track loader. The general opinion of the Board at that meeting was to consider moving forward with replacing them now. Therefore this action item is to authorize the General Manager to proceed with the purchase of this equipment from surplus funds.

Mr. Arthur stated that the present need for these pieces of equipment to be replaced is because the backhoe is 25 years old and has significant wear and tear, and the skid steer is underpowered to be able to perform needed mulching and tree clearing in the District's easements and the property fire breaks. The latter is something that needs to commence once again as some areas are in need of clearing due to the encroachment of trees over the last several years. Mr. Arthur noted this amount also includes the purchase of several needed implements, including the mulcher.

Mr. Arthur pointed out that 2028 would be the next time scheduled for any replacement beyond these two pieces of equipment.

Mr. Arthur has received some quotes on state contracts for the two pieces of equipment and associated attachments. The amount requested (\$300,000) will cover any quoted cost combination.

Steve Carano made a motion seconded by Bryan Hapke to approve the authorization for General Manager to utilize surplus funds for purchase of certain equipment, and corresponding Resolution.

Roll call vote:

Amanda Nairn Yes

Michael Dean Yes

Dave Ballew Yes

Edgar O'Rear Yes

Espaniola Bowen Yes

Steve Carano Yes

Bryan Hapke Yes

Motion Passed

6. Declaration of certain property as surplus, and corresponding Resolution

Ms. Nairn said this Resolution is to surplus (1) Backhoe and (2) Track Loader. Ms. Nairn asked Mr. Arthur if he would place the items in the auction before receiving the new equipment, he said no.

Ms. Nairn asked if the proceeds from the auction would be put into the new Large Equipment Asset Fund and he said yes, it would be his intent and recommendation to do so.

Michael Dean made a motion and Edgar O'Rear seconded the motion to approve the Declaration of certain property as surplus and corresponding Resolution.

Roll call vote:

Amanda Nairn Yes

Michael Dean Yes

Dave Ballew Yes

Edgar O'Rear Yes

Espaniola Bowen Yes

Steve Carano Yes
Bryan Hapke Yes
Motion Passed

7. New Executive Session Minutes Policy, and corresponding Resolution

Ms. Nairn expressed that after the last Executive Session, the existing Executive Session Policy (Board approved Dec. 2018), was found to be clunky and non-functional.

Mr. Arthur consulted with Mr. Couch to write the proposed New Executive Session Minutes Policy.

Mr. Couch stated that minutes are required to be taken in an Executive Session. He further stated that the President of the Board, shall designate the person to take the minutes that summarize the Executive Session proceeding. Mr. Dean wanted to know if Ms. Metcalf was allowed to take the minutes. Mr. Couch stated that it must be a member of the Board and, furthermore, allowing anyone else could pose a problem with attorney client privilege within the Executive Session.

Ms. Nairn requested, for future Executive Sessions, that a copy of the New Executive Session Policy be provided.

Hearing no other questions, Ms. Nairn entertained a motion.

Steve Carano made a motion and Espaniola Bowen seconded the motion to approve the New Executive Session Minutes Policy and corresponding Resolution.

Roll call vote:

Amanda Nairn Yes
Michael Dean Yes
Dave Ballew Yes
Edgar O'Rear Yes
Espaniola Bowen Yes
Steve Carano Yes
Bryan Hapke Yes
Motion Passed

8. Amending an Employee Retirement System, Defined Benefit Plan and Joinder Agreement and corresponding Resolution

Mr. Arthur explained this is a standard periodic matter that comes before the Board and any other Board that participates in the Oklahoma Municipal Retirement Fund (OkMRF). The District's primary retirement plan is a Defined Benefit Plan administrated by OkMRF.

Mr. Arthur stated every 6 years the Internal Revenue Service (IRS) requires all members to formally adopt this new plan language. The effective date for the new agreement is January 1, 2025. The Resolution is provided by OkMRF. Mr. Arthur said the Plan is available for anyone interested.

Mr. O’Rear asked a question about the Joinder Agreement. On the rule of 80 it states at age 65 with completion of five (5) years of service you can retire, however the vesting schedule is 7 years. Mr. Arthur confirmed that it was one of the newly added changes and that it is his understanding that in such a case, the vesting age is lowered to five years.

Mr. O’Rear asked for clarification on the Resolution, on page 2 that the “This Board of Directors” referenced there was not the Central Oklahoma Master Conservancy District board of directors, but the OkMRF Board of Directors. Mr. O’Rear found the wording ambiguous since the document is signed by a representative of COMCD and “This” would seem to be a self-referral. It was confirmed that it is the OkMRF Board of Directors.

Michael Dean made a motion seconded by Bryan Hapke to approve the Amending Employee Retirement System, Defined Benefit Plan and Joinder Agreement and corresponding Resolution.

Roll call vote:

Amanda Nairn Yes
Michael Dean Yes
Dave Ballew Yes
Edgar O’Rear Yes
Española Bowen Yes
Steve Carano Yes
Bryan Hapke Yes
Motion Passed

E. Discussion

9. Legal Counsel’s Report

October 2	communication with Kyle Arthur about CEC consultant and procurement requirements
October 3	provide Legal Counsel report to Kelley Metcalf and attend monthly Board meeting
October 3	follow up communication to Oklahoma Water Resources Board staff about provisional temporary permit for City of Norman
October 7	attorney Certifications for Worth Hydrochem contract and communication to Kyle Arthur about procurement of engineering consultant services
October 8	conference call to Sara Gibson about consultant services for CEC Phase 2 with quote under bid requirements
October 9	file Annual Report of activities with Cleveland County District Court
October 23	communication with Jacob Batchelor about CEC Phase 2 consultant work
October 29	draft policy on executive session minutes to replace previous policy about notes taken During executive session
October 29	review and provide revisions to draft resolution on establishing large equipment fund and authorizing use of surplus funds to acquire two pieces of equipment and disposal of surplus equipment
October 30	communication to Jacob Batchelor about CEC Phase 2 consultant work

Mr. Couch said he was happy to answer any questions.

Hearing no further questions, Ms. Nairn proceeded to the General Manager's Report.

10. General Manager's Report

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

Mr. Arthur stated he would be happy to answer any questions.

11. President's Report

Ms. Nairn stated, Ms. Metcalf, shared the annual audit, by Finley & Cook, began the week of the fish fry.

Ms. Nairn informed the board that on Tuesday (Oct. 5th) Mr. Arthur participated in a meeting, with the Bureau of Reclamation (BOR), to discuss firm yield, paleo hydrology, and drought responses thresholds. The finished report is expected to be complete by the beginning of 2025. Ms. Nairn would like to have a subcommittee assigned to this subject matter. Mr. Hapke, Mr. O'Rear and Mr. Dean have stated that they want to serve on the sub-committee.

Ms. Nairn stated Mr. Ballew mentioned interest in developing an Emergency Response Plan (ERP). Mr. Arthur would like to have a sub-committee to assist with this task. Ms. Nairn encouraged the board to think about who may want to volunteer. Ms. Nairn stated she would prefer a representative from each city. Mr. Arthur was encouraged to reach out to the other Conservancy District's to inquire if they have a plan in place. Mr. Arthur contacted BOR to say that the District is working on this plan.

Mr. Carr stated the Bureau of Reclamation has an Emergency Action Plan (EAP) in place that the District must follow, but the plan is heavily weighted for dam breach, or security breach. Mr. Carr invited anyone who wishes to review the plan to do so, however, the plan is not allowed to be copied or distributed in any form. Mr. Carr also shared entities that are relied upon, in the EAP, participate in the tabletop exercises and practices. Ms. Nairn said that reviewing the EAP would be beneficial.

Ms. Nairn mentioned that the ERP will be revisited at a future meeting.

12. New business (any matter not known prior to the meeting, and which could not have been reasonably foreseen prior to the posting of the agenda)

None

F. Adjourn

There being no further business, President Nairn adjourned the meeting at 8:23 P.M.