CITY OF KREBS SPECIAL CITY COUNCIL MEETING MINUTES APRIL 9, 2024

1. MEETING CALLED TO ORDER- by Mayor Tommy Ray Walker

2. ROLL CALL-by Cindy J. Cooper, City Clerk

| Mayor Tommy Ray Walker- present | David Bailey- absent |
|---------------------------------|-----------------------|
| Jason Wagnon- present | Connie Poole- present |
| Dan Heathcock- present | |

3. BUSINESS

A. DISCUSS AND ACT TO APPROVE/DISAPPROVE THE RENOVATION REPAIRS TO THE SIDEWALK AT THE D.A.V. DUE TO THE FLOODING ISSUES.

Mayor Walker states this has been going on for a while, and this sidewalk belongs to Krebs. The water is running up, and going inside the building. It needs to be fixed. Especially since this is for our DAV. These are the guys that fought in wars so we can do this. Mayor Walker states, I think this needs to be done for them. You have a copy of a proposal from Jeremy Thomas Construction. They are going to put in 150' of sidewalk five foot wide. They are going to tear up the old concrete, and haul it off. This shows what all he is going to have to have, a bobcat, backhoe, and jack hammer to get all that out of there. It will be about 18 yards of concrete, 85 pieces of 20' long rebar, and screening. Mayor Walker states, they will put a ditch on the south side to run some of the water off that way. Mayor Walker states, they (veterans) do not have a way to roll up there to get inside the building. They have to go over a big bump, and a lot of them are in wheel chairs.

Connie Poole asks if this is the only bid we got in?

Mayor Walker states it's is the only one that the company has insurance liability, and you got to have that to do it.

Connie Poole states "I know, but is this the only bid that we did receive?"

Mayor Walker states Like I said, it's the only one I received that met the requirements. There were a couple of others that talked about doing it, but they have no insurance or anything. You can find all kinds of people to work on it, but if something happens, we get sued, and everything else.

Dan Heathcock asks if this was something that could be handled through the ARPA funds?

Mayor Walker states that ARPA is mainly for water, roads, and stuff like that. Mayor Walker states we are going to have to do something with it by the end of the month. That is the next subject coming up. Dan Heathcock asks how much money is left in the ARPA fund?

Mayor Walker askes Kay Scott, city treasure how much money was in the ARPA fund.

Kay Scott states there is \$223,000 something in there.

Mayor Walker states, that is the next thing we are going to talk about. Mayor Walker asks for a motion on this item.

Dan Heathcock states for clarification "so we can't use the ARPA funds on that, even though it deals with a water leak"?

Mayor Walker states we have bigger problems than that. On this next item we are going to talk about it. It is about this roof it. This place is leaking everywhere. The walls are perfectly safe, there are no cracks or

anything. Mayor Walker states, we need to put a metal roof on it just like Krebs school has. To stop all that water from coming in. That's where we need to use that money. Mayor Walker states, "to me, that is top priority." You have to have this place to work in, and have our meetings. The next item talks about that. Mayor Walker asks for a motion.

Jason Wagnon makes a motion to approve.

Connie Poole seconds.

Mayor Walker calls for a vote.

Dan Heathcock-yes,

Connie Poole- asks if we were getting any kind of a warranty on this, this job he is doing? Mayor Walker asks you mean on the concrete?

Connie Poole affirms yes, is there any kind of warranty on this job?

Mayor Walker replies yes, if it is something he caused. That's why we want them to have insurance. If something goes wrong, he has insurance to pay for it.

Jason Wagnon- yes. Motion passed

B. DISCUSS AND ACT TO APPROVE/DISAPPROVE THE DESIGNATION OF THE REMAINING ARPA FUNDS FOR USE TOWARD THE ROOF REPLACEMENT OF THE CITY HALL. Mayor Walker states when it comes a big rain storm y'all ought to come down here, and see all the water. We have already patched everything that can be patched. This flat roof isn't worth anything. We need something that is metal like Krebs school has.

Dan Heathcock states you said metal, but can a hot tar roof not be put on here again Mayor Walker states each one of the hot tar roofs we have put on here only last a few years. Dan Heathcock asks, about ten years?

Mayor Walker states, a lot of them don't even last ten years. Mayor Walker states since he has been here, about 20 years, it's had three or four new roofs put on it. Mayor Walker states this way we could get it done, put a metal one on, and not have to worry about it.

Dan Heathcock asks if a rubber roof would be the same as a hot tar roof as far as not lasting? Mayor Walker states a metal roof will last a lot longer and has all kinds of warranties on it, like a 20-year warranty where as a hot tar roof, most won't have a warranty over a couple of years. You notice all around town you don't see any flat roofs anymore. It is the best way to go.

Connie Poole asks for clarification, that the remaining funds of around \$200.000 is what we are wanting to use to put the roof on with?

Mayor Walker states if we pass it, I will get with Fox Engineer who will get with a structural engineer to come look the building over. There is not a crack anywhere. Not in any of these rocks. The building is in great shape. The engineer will come, and get the bid process started. We will have to have the bid request running in the newspaper for several weeks. We just have till the end of the month to tell them what we are going to do with the money. If we don't do something quick, that we really need, they will take it all back. We hate to lose grant money and this is something that needs to be done.

Connie Poole states I think we (inaudible) to submit a report to deadline actually it says we have until December 31st to use those funds.

Mayor Walker states yes, but you have to have it designated as to what you are going to do with it. You have to give them a report.

Kay Scott states you have to report every year until 2027, on the ARPA funds. Every year in April Dan Heathcock asks if we could designate half that money toward the project, and the other half toward it if nothing else comes up.

Mayor Walker asks, "where are we going to get the rest of the money?"

Dan Heathcock states we will have to come up with it some way. If there is a need for the ARPA, if you got the money in hand, it seems to me we should save some for emergencies

Mayor Walker states there is a lot of things we have spent a lot of money this year. Y'all know as well as I do that, we do not have a lot of money left. We need to designate this money for something. I don't know what y'all think would be ahead of this, the walking track or whatever, but this is going to be the top priority for me.

Connie Poole states, you say we have leaks right now, but what's the insurance amount that we got from the insurance for what's going on now.

Kay Scotts states the insurance won't pay anything on that because they say it is wear. They would not pay anything for the hail. They said there was no hail damage. Whenever we had all the hail damage to the other buildings and vehicles, they said there was no hail damage to the city hall, to that membrane roof that is up there. What problems that are there, existed before the hail. They won't pay anything on that. Mayor Walker states since we do have this grant, this is probably going to be one of the biggest projects we do in a long time. If we have the money to do it, now would be the time to do it. It is going to get worse, and worse, and worse. It's not going to get any better.

Connie Poole states, I just think \$200,000, to go toward a roof. That is what a home would almost cost, and they are just wanting to do the roof.

Mayor Walker states, I have checked around. About a year ago we had a guy come out with a drone to look at it. At that time, it was \$220,000 I think it was.

Kay Scott states she thinks it was \$289,000.

Mayor Walker states, and that was a year ago. Everything has gone up about double. It's cheaper to do it the right way.

Connie Poole askes how many square feet is on the roof?

Mayor Walker states he does not know exactly.

Dan Heathcock states the roof goes up at a certain level then steps down to another level at the backside. Mayor Walker states, that is one of the worst places that it is leaking. Mayor Walker states, plus why they put air conditions on a membrane ceiling is beyond me. Mayor Walker states with all that weight up there, it is leaking all the time around it.

Connie Poole states, if you are going to put a metal roof up there, you are going to have to have a pitch. You cannot just put another roof up there flat whether its metal or not. You are still going to have to have a pitch on it.

Mayor Walker states "yeah, that's why I want to do metal." Mayor Walker asks for a motion. Jason Wagnon makes a motion to approve.

Mayor Walker asks for a second.

Connie Poole states she hates putting all that \$200,000 into that.

Mayor Walker states, he knows it's a lot of money, but it is something that has to be done sooner or later, and we have the money now.

Connie Poole states "personally I would like to, I don't know about anybody else, but I would right now disapprove it. She states, she would like some bids to come in before they appropriate the money. Mayor Walker states we can't get any bids until y'all approve it or don't approve it. If y'all approve it I can get him started on bids.

Connie Poole asks why couldn't we? Why couldn't we go ahead and get bids in?

Mayor Walker states because they don't know what they are going to be bidding on. The engineer draws up what it has to be, by code, and all that. It has to be an engineer a structural engineer. People would not know what to bid on until he gets it all drawn up. You see it in the newspaper all the time, I know you do. Abut bidding on everything, every roof, every building, and whatever else has to have an engineer in it. Once they get the bids out, people can look at it, if they want to bid on it they can. It's during a time when you can't find anybody that wants to do anything. Last year or the year before, when that guy that came down, he was the only guy in the state of Oklahoma that would actually come down here and look at it. Dan Heathcock asks, if we table this are you saying we can't start the bidding process. Mayor Walker states right, until we get someone to write out the bid, what all they are going to do. You can't just bid in the dark. Mayor Walker states, I'm not going to go out there, and bid on painting a house when I don't even know where the house is. You have to have something to go by.

Connie Poole states, that is the whole purpose of them coming out, and looking at it and giving us a bid, and telling us how much they will charge. Connie Poole states, that's why I am saying why can't we go ahead, and do that?

Mayor Walker states you need to approve or disapprove it first before he starts doing all that to get the bids ready.

Connie Poole states as far as the funds that are there. I am not for putting all that toward a roof replacement when we don't even have a bid yet.

Mayor Walker states, "Connie I'm not saying nothing, but you don't know how this works." You have got to have something. How are you going to go out there for example, and say you want to bid on advertising, well I want you to advertise this in my newspaper, and you don't even know what he wants, how can you bid on something if you don't know what you're bidding on.

Connie Poole states so you cannot put an ad or bid out there telling people to bid, and telling them what we expect to be done to this roof, and they come out and look at it, and they put a bid on it.

Mayor Walker asks who are you going to get to bid it. Who are you going to get to come see what all you have to do.

Connie Poole states whoever wants to do the job.

Mayor Walker states that's the engineer, and that's what we are voting on right now. We can't do anything until y'all vote. If y'all don't want it that's fine with me.

Dan Heathcock, state you said the engineer would come look at it, and tell us how much it would cost. Mayor Walker states he came, and looked at it once, but he did not give a total bid because he doesn't want to come down here, and spend his time, and our money looking the place over, and then have y'all say no we are not going to do it. We are going to have to pay him money to come down here, and do that. They don't do anything for free. That's why you have to know if you're going to do it so he knows what to put in the paper.

Dan Heathcock asks so he needs to know we have \$223,000 dollars to put toward it before he will even bid it?

Mayor Walker states he just wants to know whether we want to do it or not. That's all he needs to know. Once he gets that done, and I can turn him loose to come look at it, and get all the bid papers wrote up. There is a whole bunch of liability. You can ask Pat on this.

Pat Layden, City Attorney confirms there is. Pat states, I am not saying to do it, or not do it, or whatever, but one possible solution is that you could designate just a certain amount of funds to have the engineering work done, or the specs done. Then you would know what the specifics were, then decide from there to continue on. This item says we are just going to commit these funds to that roof project. What I am hearing from some of the council is, that they are not prepared to do that but, if you still wanted...interrupted by Connie Poole

Connie Poole asks so if we wanted to do half, we can do that. We can approve half of the funds, right? Pat Layden states, well whatever it would cost for an engineer. Designate a sufficient amount out of that fund to pay the engineer to do his...interrupted by Mike Kern.

Mike Kern, accountant states your probably talking \$20 something thousand dollars Connie Poole states, that is what it is for though, you're telling us that's what this is designated for correct?

Mayor Walker states I don't know what I'm saying anymore, I can't say it any clearer than what I am saying. If y'all want to do it, that's fine, if you don't, that's fine too, but where are you going to get the other \$150,000 to \$200,000. It's going to run over \$200,000. Are you just going to put in \$100,000. Where are you going to get the rest of this money at Connie? We don't have money. We been spending a lot of money.

Connie Poole asked if we could come back, and take it out of this fund if we only take enough for the engineer?

Mayor Walker states once you designate it that's what you got to do with it. They don't let you hop around. If you're going to do it, that's all they need to know. If you don't... I am going to start building me an ark pretty soon.

Dan Heathcock asks, if we designate the \$15,000 toward the engineering then we would still have \$210,000 to put toward the project.

Mayor Walker states last year or two years ago it was 287,000, and that was just one guy. He wasn't the cheapest or the highest as far as I know, but he came to give us the best bid, to see what we need on it. Dan Heathcock states the city is going to pay for the build no matter what so whatever engineering company comes, the city is going to have to pay for it anyway.

Mayor Walker states I just don't see wasting- it will be over \$20,000. I don't see wasting \$20 something thousand to have him come out here. And he is not going to want to do it, if he knows we are not going to do the whole job. He is like everyone else he wants his money too. There is lots of money in engineering. There is legal fees and all kinds of stuff that goes along with this building.

Dan Heathcock asked if \$15,000 would pay for those fees.

Mayor Walker states he does not know, that is what he is trying to figure out then I can get him to look it over and tell us what it is going to be when he gets the bids out.

Dan Heathcock asks Jason if he would agree to just having the engineer come.

Jason Wagnon asked if the money had to be allocated to something by the end of the month? Mayor Walker state that is what I am saying we need to do something now.

Jason Wagnon asked Pat Layden if that was right? That it had to be allocated by the end of the month? Pat Layden asked Mike Kern to explain how that works.

Mike Kern states when we go to do the budget, the ARPA funds are going to be part of the carry over money, but we have \$200,000 less carry over money than we did last year. But still, the ARPA money is a separate pot of money, and what I foresee is that we should probably budget the whole amount to the roof. Now whether that works or not I don't know. We need to put it in the general fund capital outlay appropriation account, the whole ARPA money, and that would cover an engineer report, that will cover the whole thing. After we get an engineer report we may need to put more than that ARPA money in that capital account. We don't know that yet. That whole ARPA money is going to be set in one of the appropriation accounts for general capital outlay.

Mayor Walker states we have to use all of it or they are going to take what is left back. We could lose \$200,000.

Mike Kern states he would anticipate the roof costing more than that counting the engineer report. Dan Heathcock states, I am looking at \$15 something thousand for this sidewalk at the DAV, and probably \$10,000 for the door at the community center. That's \$25,000.

Mayor Walker states, we are not talking about that. We are talking about the roof.

Mike Kern states the whole thing is with the discussion that we are having right now, you are going to see how complicated the budget is going to be next year. The budget is going to be 10% shorter than what it was last year. So, there is not going to be a lot of money for capital outlay. There just is not. But we have to use that ARPA for an approved project, and the roof would be an approved project. Kay Scott states, it is specific, what you can do with the ARPA money.

Mike Kern states we are going to talk a little bit about the budget a little later on. The thing that I want to emphasize is, we are going to have to spend a lot of time working on that budget because we don't have near as much money as we did last year. We are really going to have to drill down on the department heads to look at what capital outlay they are requesting. We are going to have to look really hard at what MNO we spent last year. We will have to do a lot. We need several meetings to go over the budget, because we are going to have to look at all the expenditures from last year. Some expenditures we don't know from year to year, we just don't. But the capital, we should budget those. The department heads are going to have to look very carefully at what they are going to ask for capital because we don't have a lot of extra money. Period!

Mayor Walker states we did spend a lot money, but it was on things we needed.

Mike Kern agrees stating there is no question that the monies that we have spent are in good faith, and we went through all the POs, and all that like we are supposed to. That is not the problem. One of the things that people forget on the budget is, if you spend more than you take in, the next year's budget will be short. Mike Kern states I am just trying to tell you the facts. I am not trying to make things look bad or anything I am just telling you pure numbers.

Dan Heathcock seconds the motion.

Mayor Walker calls for a vote. Connie Poole-yes, Jason Wagnon- yes, Dan Heathcock- yes. Motion passed.

C. DISCUSS AND ACT TO APPROVE/DISAPPROVE TO START THE BIDDING PROCESS FOR REPLACEMENT OF THE ROOF ON CITY HALL.

Jason Wagnon makes a motion to approve.

Dan Heathcock seconds.

Mayor Walker calls for a vote.

Connie Poole- yes, Jason Wagnon-yes, Dan Heathcock- yes. Motion passed

Mayor Walker states we can start the procedure for bidding on the roof. Mayor Walker states he will get ahold of Mr. Fox so he can start working things up. Mr. Fox has a drone he will bring to look all around the building. Mayor Walker states, we are going to take all the air conditions off the roof. That is one of the worse things they ever did, was put those air conditioners on the roof. That's a lot of weight sitting up there.

D. DISCUSS AND ACT TO APPROVE/DISAPPROVE TO START THE BIDDING PROCESS TO REPAIR/REPLACE THE OVERHEAD DOOR AND THE CONCRETE BLOCK WALL AT THE COMMUNITY CENTER ON THE WEST SIDE.

Mayor Walker states, some of you that have been down there (community center) might know they have a garage door on the west side. When it was originally put in, they did not put steel across there like they are supposed to. Mayor Walker states, it has cracked all the way up to the top of the roof. If something doesn't get fixed soon that whole concrete block wall, and all is going to come down, and hurt somebody. Mayor Walker states, we are trying to get some bids on that. We've only had one real bid so far. It is definitely all going to have to be taken out. Trying to get bids from people that have insurance, it's the same thing again. Mayor Walker states, "to me, this would be an emergency. We don't want anyone to get hurt or anything like that."

Connie Poole states, "well maybe when you put the bid in, you might ought to specify that they have to have that too." In your verbiage.

Dan Heathcock makes a motion to start the bidding process.

Mike Kern states the only thing he would comment on is that it would be proper to start the bidding process, but put it in the budget that they would start work after July 1st so it will be on next year's budget. Mayor Walker asks if there is any way to get it on this year's budget.

Mike Kern states, no we are too short already this year.

Mayor Walker states we are going to have to get somebody to brace that up or something because it is not going to last that long. Mayor Walker asked if we can go ahead and try to find someone who wants to bid on it, that has insurance, and all that.

Connie Poole states, "so you are saying we have no money to take care of that Mike?" Mike Kern states, I can't say that for sure. All I am saying is, we are already \$200,000 short on the budget process. We need to look at the funds. Mike Kern states, we have three more months of revenue to try, and make up some of that loss. But I can't tell you right now. What I am saying is that I would try to put this off so that we can talk about it at the budget.

Dan Heathcock states, it's kind of like this roof here, it has to be fixed.

Mike Kern states yes, this is going to be extra money

Connie Poole states we can still go ahead and approve for bids to be put in.

Mayor Walker states yes, exactly. Mayor Walker states when we get all the bids, we are going to have to look at them anyway to approve it or not approve it.

Mike Kern states, probably, due to the normal process of things it is going be into next year anyway. Mayor Walker states the only other thing we could do is...

Mike Kern states do something temporarily.

Mayor Walker states the DAV building, he could get them to wait awhile if he had to. Then go ahead, and do this one down here, and put DAV on for next year's budget.

Connie Poole states this one sound like it is more important. Connie Poole states the way you talk something might cave in.

Mayor Walker states yes, it is. Mayor Walker asks Steve DeFrange to confirm that the door coming apart and all the blocks is dangerous. Mayor Walker states it needs to get fixed.

Steve DeFrange confirms, and states one morning the base is going to shoot off out there and, it will all be on the ground.

Mayor Walker asked the council if any of them had been down there to look at it. Mayor Walker states to council they ought to go look at it. It will scare you.

Connie Poole states that probably should be taken care of before the DAV.

Mayor Walker asked Mike if we could put the DAV on for the next year. Mayor Walker asked if we could switch it around to vote.

Mike Kern states once you get a bid, you do not have to approve it until next year.

Mayor Walker states he is going to try and get several bids.

Steve DeFrange states you can digest bids once you get them in.

Mayor Walker states we need to get somebody locked in. He states there is a lot of work going on, and you can't hardly find block layers. Mayor Walker states he has been looking at several people to do block laying that knows what they are doing. Plus, they have to have insurance, workers comp, and all that stuff to be legal.

Steve DeFrange states our contractor, Thomas who put the building together behind the fire station has been looking for a block person, and he has all the contacts of a contractor.

Mayor Walker states we lost a lot of them during the pandemic. A lot of them retired, got out of it or went bankrupt. There are not that many people doing a good job. You can ask around town, and find out who is doing a good job and who is not. Mayor Walker asked Mike if we could go ahead, and vote on this item, and have that. Mayor Walker states he will talk to the DAV and see if it is ok with them, which he states he believes it will be.

Mike Kern states to tell them we are going to work on it next year. By the time you do all the bids it's going to be next year anyway.

Connie seconds the motion.

Mayor Walker calls for a vote. Jason Wagnon- yes, Connie Poole- yes, Dan Heathcock- yes. Motion passed.

E. DISCUSS BUDGET FOR FY2024/2025.

Mike Kerns states we need to start having budget meetings next month. At least one next month after the council meeting in May, and possible two in June. Mike Kern states we are going to have to discuss a lot of things. Some things people are going to ask for, and we can't do it. Mike Kern states we only have so much money.

Dan Heathcock asks if we were not going to have the Finance meeting every second Tuesday of the month.

Mike Kern states, that is up to y'all. Mike Kern states we can use that for budget meetings.

Mayor Walker states we were trying to get this special meeting so we could designate the ARPA money. Dan Heathcock states his problem with having meetings is he thought we were already having finance meetings every Tuesday.

Mayor Walker states if we have something to talk about, we do.

Mike Kern states we need to have them, but it's up to y'all to set the meeting

Mayor Walker states it is not the law. That you don't have to have a meeting if there is nothing to discuss. Mike Kern states he encourages us to meet because the more we discuss, and plan the better the budget will be. Mike Kern states we are going to have to spend two or three meetings hashing these things out. Dan Heathcock states it is on the sign out there that we do it every second Tuesday.

Mayor Walker states if it is cancelled, Kay will put a message on the sign. Mayor Walker states it is the same as the planning and zoning board if there is nothing to talk about there is no sense in dragging everybody down to city hall with nothing to discuss.

Dan Heathcock states that is true. He states he came to the last one and nobody showed up. Mike Kern states what we can start trying to plan right now is at least one budget meeting in May after the council meeting because then we will have 10 full months of actual numbers. Mike Kern states then when we get to June, and both of those should be after the council meeting because then we will have 11 months of actual numbers, and will be getting closer to reality. Mike Kern states there is still a little bit in there. Mike Kern states the thing he would encourage if at all possible is to be really careful about what kind of money you are spending right now. There are things you have to have, and you need to get them but anything you can put off you probably should try to put it off.

Mayor Walker states we have spent a lot of money this year. But it's for good things. New trucks new cars, wages went up.

Mike Kern states next year we are not going to be able to afford those new things so you need to take care of that equipment.

Dan Heathcock asked if they would be notified when the next finance meeting would be.

Mike Kern states it's up to you guys.

Mayor Walker states it will be the same day, Tuesday if there is something to talk about which there will be.

Mike Kern states the finance meeting is usually the second Tuesday, but with what we are doing now (budget) the timing would be more appropriate to have the meeting after the council meeting because we need to get as much actual information as we can to have a better understanding. Connie Poole clarifies, so the fourth Tuesday in May after the council meeting.

4. COMMENTS FROM THE COUNCIL AND MAYOR

Mayor Walker states we have done a lot of good for the city of Krebs this past year. We have got things we needed for a long time. Everyone got a decent good raise. We ought to be in good shape, but we are going to pay for that by being tight this next year. We got about everything we need. Once we get this roof fixed, that will be all the big items over with. It is going to take a while to do all this. We are on the right track. We have to do like Mike says, and watch the money for next year until it gets built back up.

5. ADJOURN

Mayor Walker asks for a motion. Connie Poole makes a motion to adjourn. Jason Wagnon seconds. Mayor Walker calls for a vote. Jason Wagnon- yes, Connie Poole- yes, Dan Heathcock- yes. Motion passed.