

# City Council Work Session Meeting Minutes

Dawes Conference Room  
113 W. Dawes Ave., Bixby, OK 74008  
July 22, 2024 at 5:00 PM

The agenda for the regularly scheduled meeting of the City Council Work Session of the city of Bixby was posted on the bulletin board at City Hall, 116 West Needles Avenue, Bixby, Oklahoma on July 19, 2024, on or before 5:00 p.m.

## Call to Order

Mayor Guthrie called the City Council Work Session Meeting to order at 5:00 pm.

## Roll Call

Shannon Duran, City Clerk, called the roll, and the following were present:

### Members Present

Mayor Guthrie  
Vice Mayor Founds  
Councilor Girard  
Councilor Hirshey  
Councilor Schultz

### Staff Present

Jared Cottle, City Manager  
Shannon Duran, City Clerk  
Phil Frazier, City Attorney  
Charles Barnes, Finance Director  
Jon Brown, Assistant Public Works Director  
Joey Wiedel, Development Services Director  
Joe Sherrell, Deputy Chief  
Justin Dowd, City Engineer

## Agenda

### 1) Presentation and discussion on Third Penny Sales Tax Renewal

Mayor Guthrie said Item 1 on the Regular Agenda is up for discussion and consideration.

Item presented by Jared Cottle, City Manager

Others who spoke: Charles Barnes, Finance Director, and Joey Wiedel, Development Services Director

Jared Cottle provided the council with an overview and history of the Sales Tax history for the city. Originally passed in 1989 for Capital Improvements only, then renewed in 1994. Primarily for Sanitary Sewer and Capital Improvement and the renewal passage was that 25% stayed with Capital Improvements, and 75% went to Sanitary Sewer. In November of this year, the Third Penny Sales Tax will sunset.

It is a significant impact if the City does not renew the sales tax, the city would have to call for the Election in August to be held in the November election. Mr. Cottle asks the council for their feedback and guidance on how they would like to proceed.

Mr. Cottle provided the council with an update as to the original projects for the Sales Tax that was passed in 1989 and 1994. The Interceptors were done as a part of the initial sales tax and moving forward all new developments coming in are gravity sewers. Those projects that were put in place when the tax was passed are now sunsetting. A 3rd of that debt service went to the Waste Water Treatment Plant and advised council that was talked about last year at the council retreat renewing the 3rd Penny could be allocated with a large section for streets.

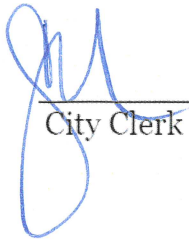
The council advised staff as to pushback they are receiving now that the city is bringing more taxes from internet taxes and more commercial development. Mr. Cottle advises the council that the Use tax revenue can fluctuate significantly. When building development slows down or stops, use tax revenues can decrease or even drop to zero, as observed during the 2008-2009 financial crisis. Due to its variability, use tax is not a reliable source of funding for essential city services. City Hall and Police Department renovations all came from cash pay as-we-go staying thin the use tax. Essential services like police, fire protection, and emergency medical services (ambulances) are typically funded through more stable sources, such as sales tax. Mr. Cottle advised that the Fire Station and the Performing Arts Center were funds from Bonds. Charles Barnes advises the council fire engine was a million trucks came from Bond issue and ambulance came from sales tax. Discussions were held as to Capital Improvements and Sales Tax vs. Use Tax.

Charles Barnes advised the council if the City loses the penny in sales tax then the City would also lose a penny in use tax as they are the same rate. You would lose on a different side of the budget as well. Instead, the city would have to make up what would be a 2 penny impact with the use tax that we are getting now based on instruction.

Discussion ensued between staff and council as to rate adjustments for sewer. The staff advises that the Sales Tax advantage helps pay for that and covers the Waste Water Treatment Plant. This renewal will cover the plant debt by keeping with rate stabilized. Improve our roads as well as keep the services the city is currently providing at the same rate.

Further discussions were held on the percentage of the sales tax. The council would like to see that the allocation goes to roads. Jared Cottle states that the Pavement study should assist with the prioritization of roads. The council would like to seek quotes from PR Firms and reallocate funds to focus on roads. The council advises that they would like to move forward with calling for the Election as follows: 2% Capital Improvement, .3% Sewer, and .5% Streets. The council feels that the PR needs to be done to move forward to get this information out to the citizens. This item will go on the next Agenda on 8/12/24 calling for an election in November 2024.

An adjournment was called at 5:51 pm

  
City Clerk



  
Vice Mayor