



CITY OF ALVA

415 4th Street
Alva, Oklahoma 73717
(580) 327-1340
Fax: (580) 327-4965

MEMORANDUM

Date September 18, 2017
To: The Honorable Mayor and Council Members
From: Joe Don Dunham, City Business Manager *JD*
Subject: Manager's Report

Multi-Year Capital Replacement Plan & Funding

The City of Alva Finance Committee is currently considering a Multi-Year Capital Replacement Funding Ordinance. This ordinance will establish a plan for the General Fund, Airport Fund, Cemetery Fund, AEDA Fund and the Alva Utility Authority to start funding Multi-Year Capital Improvement Plan by the beginning of FY 2018-2019.

Staff will develop the minimum of a 5 year plan for replacement of equipment and infrastructure and start transferring money in FY 2018-2019 to fund planned purchases in FY 2022-2023 and continue this process for every year thereafter. This will ensure we have the funding in place to purchase capital improvements as needed.

Street Work

The City of Alva Street Crews have completed the work I committed them to for the new Fire Burn house. These crews have been working diligently on Flynn Street for the past week. To date we have finished the 300, 700 and 800 blocks of Flynn Street. The 500 block is about $\frac{3}{4}$'s complete and the 400 block is $\frac{2}{3}$'s complete. I expect these streets to be complete by September 8th. The street crews will need to move on to the 600 block of Flynn. After Flynn is complete the crews will finish the work which was started around Longfellow and Washington Schools. The corner of 13th and Flynn is currently prepped and ready for concrete and City would also like to complete Seventh Street from Barnes to Choctaw before this season ends.

Update on OWRB Loan

With the passage of the new rate plan the City of Alva is working to move forward on the OWRB Loan. Staff has been in contact with Allen Brooks of Public Finance Law Group. This group has served as Bond Counsel in the past and will be working with the City on this issuance. Staff is working to finish the loan application and this document should be ready for submittal in the very near future. There are two new policy documents Council will need to accept at the next City Council Meeting. These policy documents are a customer service policy which allows for hardship cases and a system maintenance policy. The City of Alva has a policy which is practiced for both of these issues, it is just not written or council approved. Once these documents are written they will be submitted to the appropriate committee for recommendation and then submitted to city council for approval.

Upper Payment Limit Supplemental Payment Program

CMS has sent a letter to the State Medicaid Director explaining the reasons for the denial of the SPA. There are ongoing discussions between OHCA and CMS but there has been no decision to press forward. The City of Alva legal advisor for the project, McAfee & Taft, are recommending the City not move forward at this time. I will be following up with them toward the end of September.