

By Amber Hanneken
Staff Writer

HUGO — City Manager David Rawls updated the city council on testing and analysis costs resulting from a Seaboard Railcar spill in May that killed all bacteria at the Hugo Wastewater plant, during Tuesday's meeting.

Rawls said when he was informed by plant Manager Matt Lail of the issue, they isolated the chemicals at the western edge of the lagoon and traced it back to a severed line at the Seaboard Railcar facility. Both DEQ and the city took samples for analysis and the total testing costs came out to \$13,240.85. The plant received active bacteria sludge from Antlers, according to Rawls, and was back to standard levels within 10 days. Seaboard Railcar has agreed to take responsibility for the incident, Rawls said. Councilor Francine Morris motioned that the bill for the tests be passed on to Seaboard Railcar and the council approved, with the exception of Layton Cox who abstained to avoid conflict of interest. Cox works for Kiamichi Railroad, of which Seaboard Railcar is a client.

The city manager reported to the council that the city is ready to begin the second phase of street repaving. He said the city originally figured \$2 million for street work and about \$1 million has been spent so far. He asked the council to decide which streets to focus on for the second phase. About 30 to 40 blocks may be repaved.

"We're using tax dollars and we want to make sure that they get spent in the best possible way for the community," Rawls said.

Rawls brought a resolution before the council authorizing the Hugo Municipal Authority to use its sales tax revenue for a note of \$1,040,000 through Security First National Bank for the street project. The bank has offered the city a 5% fixed rate for a 15-year term. The ordinance waives competitive bidding with respect to the sale of the note. Rawls said the city is not obligated to bid out financial advice.

"This isn't being done in the dark," Rawls said. "This is out in the public and everyone gets to hear it."

Morris motioned, Cox seconded and the council approved the acceptance of ordinance No. 784 as written.

"To me, it looks like a win-win situation," Morris said.

The council struck the decision to retain the public finance law group as bond counsel after city lawyer Gary Brownsworth said the decision needed to be made during the Hugo Municipal Authority meeting.

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