

SOUTH FULTON CITY COMMISSION
BOYETTE'S @ REELFOOT LAKE
MARCH 3, 2006

AGENDA

- A. Public Comments And/Or Suggestions
- B. Gas Rates & Calculations (Tim Allen)
- C. Utility Average Billing
- D. Request For Use Of Yellow Storage Bldg (Latisha Taylor)
- E. Budget Review
- F. Dept. Requests
- G. Deficit Reduction Advisory Committee
- H. Utility Infrastructure Appraisals
- I. Legislative Conference
- J. 3 Star Sign Request
- K. Appointment (2) To Industrial Board
- L. Appointment To Ambulance Board
- M. Website

Adjournment

MINUTES

CALL TO ORDER

Mayor David James called the special meeting to order on Friday, March 3, 2006 at 8:30 a.m. at Boyette's Restaurant, Reelfoot Lake.

CALL TO ORDER BY RECORDER

Roll call was taken by City Recorder Debbie Beadles. Present were D. James, R. Haskins, and W. Kane, T. Pettigrew, K. Dillon, K. Ivey. There were three residents present and one media personnel.

SPECIAL BUSINESS

PUBLIC COMMENTS AND/OR SUGGESTIONS

Frank Morris, 306 Taylor, voiced his concerns regarding his utility bill of \$692. a 150% increase. He stated he would be interested in equal pay billing. He requested the commission entertain a rebate from gas to residents.

John Algee, 5047 Par Road, stated the commission needs to look at rate structure, that the gas department makes money for the city and should not sell gas system. He also stated the commission should look into locking in the gas price earlier in the year.

Marvin Mercer, 4711 Pamela Circle, requested the board consider year-round billing for customers and begin this process in April or May.

GAS RATES & CALCULATIONS – TIM ALLEN

Ms. Dillon introduced Tim Allen, Enercon, who has been running numbers in gas fund and has come up with a different way to calculate the gas usage, which will save the residents money and not jeopardize the budget.

Mr. Allen stated cities cannot buy all the gas they might need so storage of gas is important. He stated cities have not benefited from deregulation. He explained the process for contracting gas prices, option of futures market, demand and gas production reduced by hurricanes in the Gulf and the forecast of a cold winter caused prices to rise.

Mr. Allen stated a minimum bill should be generated to customers whether they use gas or not each month. He stated he is aware that consumers often turn off their gas in the summer to keep from getting a bill, but the board should consider a turn-on fee in an amount might enough that would discourage turn-offs in the summer.

There was discussion regarding the amount of a minimum bill from \$8.00 for consumption from Zero to 300 cu ft to \$10.00 for Zero to 500 cu ft. There was also discussion regarding a turn-on fee of \$25.00. Ms. Dillon stated this could be a saving of about \$30 a month per customer depending on the usage.

Commissioner Kane moved to adjust gas rates from Zero to 300 cu ft to be \$7.00 and all over 300 cu ft to be \$19.20. Commissioner Haskins seconded the motion. In roll call vote, all voted aye. Motion carries.

UTILITY AVERAGE BILLING

Mr. Allen stated the board should consider average billing for its customers. He stated this would be beneficial to the gas customer in the colder months of the year when usage is high and gas costs increase and also to the city in the warmer months when usage and revenues are down.

REQUEST FOR USE OF YELLOW STORAGE BUILDING

Ms. Dillon stated she had a request from Lutisha Taylor to use the yellow storage building on the old high school property, but this could be tabled as Ms. Taylor is not present.

NEW BUSINESS

DEFICIT REDUCTION ADVISORY COMMITTEE

Ms. Dillon requested the board appoint a committee to review the budget and other information to make a recommendation as to how much money should be borrowed for bond and what would be included in payoff. She stated several names had been submitted to her for a

committee. They include Frank Morris, Dean Brooks, Derrick Wells, Brad Dame, Cassandra Smith. She asked that a commissioner and the Mayor be part of this committee. Commissioners Kane and Haskins volunteered to be on the committee.

Commissioner Haskins moved to accept the above names as members of the Deficit Reduction Advisory Committee. Commissioner Kane seconded the motion. All voted aye. Motion carries.

UTILITY INFRASTRUCTURE APPRAISALS

Ms. Dillon stated she has tried without success to contact Work & Greer regarding utility appraisals. She will continue to attempt to contact his firm and update the board at the regular meeting.

LEGISLATIVE CONFERENCE

Ms. Dillon stated a committee was appointed in Kentucky to review special tax districts (such as along state lines) and there is interest that this might work in Tennessee although there is nothing in writing. She stated Jack Simpson is interested in being involved in this project. She stated Philip Pinion and Roy Herron will attend the conference, but there won't be an opportunity for a one-on-one meeting. She stated the conference attendance deadline has passed and she won't be attending.

3 STAR SIGN REQUEST

Commissioner Kane moved to purchase five signs at \$50.00 each. Commissioner Haskins seconded the motion. All voted aye. Motion carries.

APPOINTMENT TO INDUSTRIAL BOARD

Ms. Dillon stated there are two vacancies on the Industrial Board to be filled.

Commissioner Kane moved to appoint Jack Simpson as an advisory member to fill the seat of Gordon Jones. Commissioner Haskins seconded the motion. All voted aye. Motion carries.

APPOINTMENT TO AMBULANCE BOARD

Ms. Dillon stated there is a vacancy on the Ambulance Board to be filled. She stated the board meets on the first Wednesday of each month at Noon. This item was tabled until the next regular meeting.

WEBSITE

Ms. Dillon stated John Dunker has proposed to set up the city's website at a cost of \$1200 which includes set up, links and training. She stated the West Tennessee Industrial Board has donated \$500 toward this project.

Commissioner Kane moved to contract with John Dunker for city's website at a cost of \$1200. Commissioner Pettigrew seconded the motion. All voted aye. Motion carries.

I-69 DUES

Commissioner Haskins moved to not pay dues to I-69 Coalition. Commissioner Pettigrew seconded the motion. All voted aye. Motion carries.

BUDGET REVIEW

Commissioner Kane moved to eliminate the commissioner's Christmas bonuses and reduce the commissioner's salary from \$100 to \$50 and Mayor's salary from \$125 to \$75 until the city is in better financial condition. Commissioner Haskins seconded the motion. All voted aye. Motion carries.

Commissioner Kane moved to waive the \$1.00 fee for replacement of city stickers for residents who received new license plates when registering their vehicles. Commissioner Pettigrew seconded the motion. All voted aye. Motion carries.

DEPARTMENT REQUESTS

Ms. Dillon stated Police Chief Andy Crocker requested two police officers in the police department.

Ms. Dillon stated Public Works Director Hubert Maynard requested a position be created at WWTP for mechanical laborer, someone knowledgeable of small motors, pumps, etc. She stated he also requested a part-time person (student) to take water samples, work on weekends, etc.

Ms. Dillon stated she is trying to consolidate some of the line numbers that are comparable and reduce the number of line items. The board reviewed each line item expense and made recommendations or changes as needed.

Commissioner Kane moved to eliminate the clothing and shoe allowance for administration for FY2006-07. Commissioner Haskins seconded the motion. All voted aye. Motion carries.

There was discussion regarding maximum amounts for clothing allowance in the public work, police and fire departments.

Ms. Dillon stated the personnel policy needs to be reviewed and changes made according to the city's auditor. She requested two commissioners be part of this committee, which includes the department heads and city manager.

Ms. Dillon stated police officer position vacated by Jody Parnell was not filled. She stated Chief Crocker requested two officers, that there is an academy that begins March 19, which is full, but they can accommodate two persons. In discussion, the board stated they needed to see FY2004-05 audit before they commit two positions.

Commissioner Kane moved to authorize City Manager Dillon to hire one officer immediately and when the audit is presented, the board would look at another officer. Commissioner Pettigrew seconded the motion. In roll call vote, Commissioners Kane and Pettigrew and Mayor James voted aye. Commissioner Haskins voted nay. Motion carries with 3-1 vote.

Commissioner Haskins moved that the City Manager bring investigation to commission before officer is hired. Commissioner Kane seconded the motion. All voted aye. Motion carries.

Commissioner Haskins moved to authorize the City Manager to hire a part-time employee for public works. Commissioner Kane seconded the motion. All voted aye. Motion carries.

Commissioner Haskins moved to do background checks on all employees hired by the city. Commissioner Kane seconded the motion. All voted aye. Motion carries.

Ms. Dillon stated revenues are down in all funds, explaining that when rates were increased, residents decreased usage of those services.

Mr. Ivey stated Tyson pays \$17,200 in lieu-of-tax payment to city annually. He stated the property is owned by the city, but deed has restrictions regarding utility relocations. He stated this property needs to be transferred to the Industrial Board and original agreement needs to be reviewed.

ADJOURNMENT

Commissioner Kane moved to adjourn at 4:45 p.m. Commissioner Haskins seconded the motion. All voted aye. Motion carries.

ATTEST: _____ APPROVED BY: _____
RECORDER MAYOR