

**Regular City Meeting
of the
Clifton Board of Commissioners
January 28, 2019**

Present:

Randy Burns, Mayor
Layton Packwood, Vice Mayor
Eva Ruth Warren, Commissioner
Bill Willoughby, Commissioner
Carol Hickerson, Commissioner (Resigned)
Mark Ray Staggs, Commissioner (Newly Appointed)
Doug Kibbey, City Manager
Byron Skelton, Chief of Police
Austin Clark, Public Works Director
Eddie Simmons, Parks Director
Lindsay Roberts, Fire Chief
Michael Hinson, City Attorney
Kiersten Rainey, Administrative Assist.
Barbara Culp, City Recorder

Visitors:

Donnie Warren
Randy Battles
James Newcomb, Former Police Officer
John Poole, City Auditor
Jerry Foreman, Natural Gas Consultant
Clark Bates, Owner Clifton Marathon

Mayor Burns read a letter of resignation from Commissioner Carol Hickerson. The Mayor said he appreciated all that Ms. Hickerson has done since being on the Commission. Ms. Hickerson said that she has enjoyed her time on the Board but some circumstances led her to her decision to resign. Doug Kibbey stated that she has done an excellent job of helping move the City forward. Commissioner Warren said she appreciates Ms. Hickerson's service.

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The invocation was given by Mayor Burns followed by the Pledge to Allegiance. The roll was called by City Recorder Barbara Culp, with all commissioners present.

A motion was made by Commissioner Warren to approve the minutes of the previous meeting. The motion was seconded by Vice Mayor Packwood, and carried unanimously.

Resignation of Commissioner Carol Hickerson

A motion was made by Commissioner Warren to accept the resignation of Carol Hickerson. The motion was seconded by Vice Mayor Packwood, and carried unanimously.

Appointment of Mark Ray Staggs to the City Commission

A motion was made by Commissioner Warren to appoint Mark Ray Staggs to fill out the term of Commissioner of Carol Hickerson. The motion was seconded by Mayor Burns.

Roll Call Vote:

Commissioner Warren-----Yes
Commissioner Willoughby-----Yes
Vice Mayor Packwood-----Yes
Mayor Burns-----Yes

The motion carried unanimously. The Oath of Office was administered to Mark Ray Staggs by City Recorder Barbara Culp.

Ordinance # Budget Amendment #3

A motion was made by Commissioner Warren to pass Ordinance# 271 (Budget Amendment #3) on the second reading. The motion was seconded by Vice Mayor Packwood, and carried unanimously.

Ad Valorem In Lieu of Tax

A motion was made by Commissioner Warren to pass the Resolution setting the Water/Sewer Fund Ad valorem In Lieu of Tax at \$27,445.00, and the Natural Gas

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Ad valorem Tax at \$7,604.00. The motion was seconded by Commissioner Willoughby, and carried unanimously.

CDBG Resolution

The city manager told the commissioners that the CDBG Resolution is to make application for grant funds to replace all the City's water meters, and have a system where everything could be monitored from city hall. The grant amount is \$150,000.00, and the City's match would be approximately \$10,000.00. After a discussion, a motion was made by Commissioner Warren to approve the CDBG Resolution. The motion was seconded by Commissioner Staggs, and carried unanimously.

\$2.00 Administrative Fee for Customers who make payment without their utility bills

There was a discussion concerning the \$2.00 administrative fee that customers are charged when paying without their utility bill. City Manager Kibbey recommended that we cancel the \$2.00 fee. Commissioner Warren said she feels if we do not charge the fee we will have more and more customers paying without bringing their bills in. A motion was made by Commissioner Willoughby to cease charging a \$2.00 fee to customers who pay without their utility bills. The motion was seconded by Vice Mayor Packwood, and carried unanimously.

Bids for Concrete Slab at Ballpark

The city manager recommended accepting Tommy Tinin's bid for a concrete slab at the ball park as he was the only one who turned a bid in on time. A motion was made by Commissioner Staggs to accept Tommy Tinin's bid to install a concrete slab at the ball park. The motion was seconded by Commissioner Warren. Commissioner Willoughby commented that the Commission is spending a lot of money on different things. It was stated that the concrete pad would be for a batting cage, so that players could work on their pitching. It could be used year round.

Roll Call Vote:

Commissioner Staggs-----Yes

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Commissioner Warren-----Yes
Commissioner Willoughby-----No
Vice Mayor Packwood-----No
Mayor Burns-----Yes
The motion carried.

OPED-Retirement Coverage Election

The city manager explained that there are new State rules concerning retiree insurance. The City will have to make a decision to Opt in which would keep benefits available for any retiree, or to Opt out which would not allow any retirees to keep insurance. There is also a Limited Opt out option which would allow any employee currently getting retiree insurance to remain, but no future employees would be allowed to participate. Commissioner Willoughby said he would like more information before making a decision. A motion was made by Commissioner Willoughby to table a decision on this until the next city meeting. The motion was seconded by Vice Mayor Packwood, and carried unanimously. The city manager stated that a decision has to be made and reported to the State by 3-31-19.

Audit Debriefing

City Auditor John Poole addressed the Commission. He stated that his job is to make sure the City is receiving the money it is supposed to be getting, and he looks to see how the City is spending money. He makes sure that money is spent on City business. He said he has no concerns about that, because the City of Clifton is following procedures. He told the Commission that we do a good job of managing the risk of delinquent bills. Mr. Poole stated that the State requires different sets of funds. We have water/sewer, and natural gas funds. We are required to have a surplus of funds every other year. He said currently the City is in compliance with this. He said that his audit report is filed with the State Comptroller's Office. Our audit report has his name, and phone number, and he would be glad to answer any questions.

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Natural Gas Rate Discussion

The city manager told the commissioners that our current natural gas rates are not covering what they should be covering. He said that in the past funds have not been set aside as they should have been. He has had to move things around in our budget so that it does not look so bad on paper. He stated the time has come where our natural gas rates need to be set where they should be. He said the last two years since he has been here he has looked every place to cut costs without cutting services. We are just not making enough money to set funds aside for depreciation. He told the Commission that the big mistake in 2011 was the Board only raised gas prices by 15% when they should have been raised 30%. The City's natural gas consultant Mr. Jerry Foreman stated what the City has been making on gas sales has only been covering the cost of gas itself. He said nothing has been set aside for maintenance of the equipment, or depreciation. He stated that the City of Clifton will have to replace some of their infrastructure in the future, and we will need a reserve for this. He also said the rate base we currently have will not cover long term infrastructure depreciation. The City does not have the funds available to build the reserves as needed. Mr. Foreman also explained the PGA process that the City uses every month to calculate natural gas costs. When gas costs go up the City has to bill customers at a higher rate, and when costs go down the customers are billed at a lower rate. The city manager recommended that we have a \$5.18 standard gas fee, and raise our rates by 20%. No decision was made.

Property for sale by Mr. James Frank Bundrant (for Proposed Water Plant)

There was a discussion concerning the problems at the water plant. Public Works Director Austin Clark explained if the City puts a lot of money into our current plant it would still have some problems. He said our plant recently had some major issues getting water treated. He told the commissioners that he is unsure how long the plant will keep running without repairing the underlying problems. He said it would cost 3.5 million to remodel our plant, and 7.3 million to build a new plant. He explained that a new plant would increase the capacity of treated

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water. It now takes 20 hours of labor to get the same amount of water that would only take 12 hours for a new plant. Mr. James Frank Bundrant has property near our Shop Building for sale that would be a great area for a new water plant. Mr. Bundrant is asking \$11,250.00 for one piece of property, or \$20,550.00 for all three pieces of his property. Commissioner Willoughby asked if a new plant could be built on just one piece of the property. Director Clark stated no, it would not be enough room for a new plant. After further discussion, a motion was made by Commissioner Warren to purchase three pieces of property from Mr. James Frank Bundrant in the amount of \$20,550.00. The motion was seconded by Commissioner Staggs.

Roll Call Vote:

Commissioner Warren-----Yes
Commissioner Staggs-----Yes
Commissioner Willoughby-----Yes
Vice Mayor Packwood-----Yes
Mayor Burns-----Yes

The motion carried unanimously.

New Business from Audience

Mr. Clark Bates, Owner of Clifton Marathon told the commissioners that he has made application for a liquor license. He said he has run an ad in the Wayne County News as required, and will be making modifications to his building. The mayor asked Attorney Hinson if the Commission could vote on Mr. Bates a license without the modifications being made. Attorney Hinson said no. Mr. Bates said he would like to have everything completed so he could open by 5-01-19. He asked for the City's support.

Former police officer James Newcomb addressed the Commission. He said he would like to know why he was terminated without any notice. He said he received a call on the City's cell phone from Chief Skelton who stated City Manager Kibbey had instructed him to collect officer Newcomb's equipment immediately. The city manager stated that there was a department head meeting, and it was determined that a position in the police department needed

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to be cut. It was decided that Mr. Newcomb would work two more weeks, but some issues came up where some things were questionable, and the decision was made to let him go at that time. Mr. Newcomb stated that he had worked three weeks the previous month without a day off. Vice Mayor Packwood told the city manager if it was a matter of money he wished he had brought the matter before the Commission. The city manager said he doesn't need a reason to fire anyone because he does all the hiring and firing. Mayor Burns told Mr. Newcomb he is sorry about his termination but the city manager and the police chief make the decisions, and he stands behind their decision.

Department Reports

Chief Skelton reported that one of their police vehicles caught on fire last Friday. He said they are waiting on the insurance company's evaluation of the vehicle.

Parks Director Eddie Simmons reported that his inmate worker got paroled today. He said he hopes to have a replacement the following week.

Public Works Director Austin Clark stated that engineers have checked the site for the proposed water plant, and given their approval. Also a state inspector checked the prison's sewer pond, to make sure it is not leaking. The public works department is staying busy.

Fire Chief Lindsay Roberts stated that everything is on track with the fire department renovation.

Vice Mayor Packwood said in the city manager's weekly notes it stated that the City waived a \$9,000.00 late fee for CCA. He said that is a lot of money and feels they should have paid some of it. The city manager informed the commissioners of how much annual revenue we receive from CCA.

Commissioner Willoughby stated that some citizens had asked that Ross Creek Road be repaired. He also said that Mr. Brent Scott had spoken to him about being given citations for violation of our clean-up ordinance. Commissioner

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Willoughby asked how this is determined. The city manager explained the process.

There being no further business, the meeting was adjourned.



MAYOR



CITY RECORDER