COUNCIL MEETING

CITY OF LUVERNE

September 12, 2022

 The City of Luverne Council met in regular session on September 12, 2022 at 5:30 p.m., in the City Hall Building. The following members were present:

Mayor Ed Beasley

Betty Dawson, Councilwoman

Kip Smith, Councilman

Kathy Smyth, Councilwoman

Elliott Jones, Councilman

Eddie Billings, Councilman

 Margie Gomillion, Clerk

William Neal, Building Inspector

 Mike Jones, Attorney

 Mike Johnson, Chief

 Visitors:

 Jim Marshall Butch Speed Steve Hermeling

 Kirk Alsbrooks Nic Atkinson Steve Defee

 Merrill Sport Eric Harrell Brock Flynn

 Troy Hudson

Mayor Beasley called the meeting to order. The mayor called on Kip Smith to lead the pledge of allegiance to the flag and Steve Defee to say a prayer.

 The mayor called for the approval of the minutes of August 22, 2022. Councilman Billings made a motion to approve the minutes as written. Councilman Smith seconded the motion and the vote was unanimously approved.

Councilman Jones stated several months ago the department heads came to us with some major concerns. One was the inability to retain employees and we made some adjustments that I think has helped some, second was concerns of the state of our equipment not just keeping them out of shops but serious safety concerns for the employees using them and third as we all are aware, we have crumbling infrastructure. All of this together not only affects our workers but affects the quality of service for our citizens as wells as their quality of life. After quiet of bit of discussion and working with AMEA, we contacted Jackson Thornton, CPA out of Montgomery. They agreed to do what we found to be the first ever cost of service study for the City of Luverne. The findings of this study and the plan of action that’s coming with it if properly followed and executed not only is going to allow us to properly recover our daily operations cost as we should but also is going to make us eligible for infrastructure grants that we have missed for years. Councilman Jones introduced Mr. Jim Marshall with Jackson Thornton to speak. Mr. Marshall passed out handouts to everyone and discussed the handout in detail. Mr. Marshall stated they wanted to make sure the city has enough revenue to operate the way we want to operate. That’s not just paying debt but re-investing back into our infrastructure directly, have fair and equitable rates, affordability, simple rates and rates need to be defensible. The revenue for the electric is at 102% but the water is at 68% and sewer 58%. Each should be at 100% recovery. The electric system is in line where you want it to be. Mr. Marshall stated due to the potential for economic dislocation, they recommend the council consider the following in a multi-year process for water and sewer:

**All water customers**

* Year 1 – Reduce usage included from 2,000 gallons to 1,000 gallons
* Year 2 – Reduce usage included from 1,000 gallons to zero
* Year 3 – Increase the volumetric rate by the following amounts:
* Residential - $1.30/kGal
* Commercial - $1.90/kGal
* Industrial - $0.72/kGal
* Apartment - $1.30/kGal
* At full implementation, these adjustments should increase annual revenue by approximately $210k

**Sewer Residential & Apartment customers**

* Year 1 – Reduce usage included from 3,000 gallons to 1,500 gallons
* Year 2 – Reduce usage included from 1,500 gallons to zero
* Year 3 – Increase the volumetric rate by $1.90/kGal
* At full implementation, these adjustments should increase annual revenue by approximately $184k

**Sewer Commercial & Industrial customers**

* Year 1 – Reduce usage included from 5,000 gallons to 2,500 gallons
* Year 2 – Reduce usage included from 2,500 gallons to zero
* Year 3 – Increase the volumetric rate by $1.90/kGal
* At full implementation, these adjustments should increase annual revenue by approximately $115k

The mayor thanked Mr. Marshall for coming.

 Mayor Beasley called on Mr. Jones to discuss ADEM/Town of Glenwood. Mr. Jones stated we have been in discussion with Bill Lott with ADEM. Basically we have been discussing the city taking over the Town of Glenwood sewer system. Those discussions have been going on for several months and they have been more and more persuasive in trying to make it where the city will agree to do that. Originally there was some monies owed on the Glenwood system to USDA and that debt of $250,000 is going to go away. They also have two projects they will approve for grants to the Glenwood system basically for new meters and new pumps. It’s not all of the pumps. Mr. Hudson stated it is for half the sewer pumps. Mr. Jones stated we will be able to do the meters that will be compatible with our system. There are around 112 customers. Mr. Jones stated there have also been some discussions if we do the sewer we would probably want the water too. The water in Glenwood comes from South Crenshaw so there will have to be some details worked out on how that water was provided and how we handle it. They had already included some projects which are the first four on the list. There is only one that will require a pay back and the others are grants. Mr. Jones stated he told Mr. Lott he thought the council was hesitant to proceed so when we talked to him last he agreed to add in $2,000,000 for our sewer lagoon to do what needs to be done there. He has told Troy and I if anything comes up in the future with Glenwood they will be willing to help. Mr. Jones stated ADEM has said water and sewer rates will have to be established and be required to have a mandatory annual rate increase of 4-5% range to ensure future viability of systems. The mayor stated the problem is that it has been neglected for 35-40 years. Our sewer system is in shambles and our water system is not productive as far as making a balance income so we are taking out of the electric department to fund our water and sewer. The mayor called on Brock Flynn for his comments on this. Mr. Flynn stated first of all it was terrible how it was brought up. I know Luverne could use the 5 million dollars and twice that easily, but it’s crappy the way the deal was brought up to us. If you can’t admit that when you were sitting in there then you are wrong. If I need to go help the people of Glenwood, if you choose to, I certainly will. But our system is in bad shape. The last thing we want to do is go down there and golden plate theirs when we are already taking their sewer and ours is falling apart. Granted, they are giving us money to fix it, but the whole thing was terrible the way it came about. Mr. Flynn expressed his disapproval. The mayor asked Mr. Flynn if additional people would have to be hired in the water department to help with this project. Mr. Flynn stated yes. The mayor stated we are short labor and equipment. After further discussion, Councilman Jones made a motion to move forward with the plan that ADEM has presented to the city. Councilwoman Smyth seconded the motion and the vote was as follows:

 Yea: Betty Dawson Nay: Kip Smith

 Kathy Smyth

 Elliot Jones

 Eddie Billings

 The motion carried.

 The mayor called for the administrative report. Routine work was performed.

Mayor Beasley called everyone’s attention to the chief’s report. Since the last meeting, the police department had 293 calls for service, not including building checks. The department made 66 traffic stops, wrote 51 citations and gave 15 warnings. The department made 9 misdemeanor and 1 felony arrest. There was 5 animal control calls since the last meeting.

 The mayor stated everyone has a copy of Mr. Neal’s report.

Mayor Beasley presented an event request from Jeffrey Penn for the 1st Annual Glory Road Revival at Turner Park for September 26 thru October 1, 2022. Councilman Billings made a motion to approve the 1st Annual Glory Road Revival at Turner Park for September 26 thru October 1, 2022. Councilman Jones seconded the motion and the vote was as follows:

 Yea: Kip Smith Nay: Betty Dawson

 Kathy Smyth

 Elliot Jones

 Eddie Billings

 The motion carried.

The mayor presented the council with Resolution 091222 PY2022 Community Development Block Grant, Program for Economic Development funds authorizing the filing of the application to ADECA and authorizing the mayor to sign all documents related to filing of the application. Councilman Jones made a motion to adopt 091222. Councilwoman Smyth seconded the motion and all was in favor. The resolution is as follows:

CITY OF LUVERNE

RESOLUTION NO. 091222

2022 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

To authorize the filing of an application to the Alabama Department of Economic and Community Affairs, Community Development Block Grant, Program for Economic Development funds; to commit a local match for the project; and to authorize the Mayor of Luverne to sign all documents related to the filing of PY 2022 CDBG Application.

**WHEREAS**, the Alabama Community Development Block Grant (CDBG) Program has been established to assist local governments in meeting community development and housing needs consistent with the objectives set forth in Title I of the Housing and Community Development Act of 1974, as amended; and

**WHEREAS**, the City of Luverne, acting by and through the City Council proposes to apply for Community Development Block Grant, Economic Development (CDBG-ED) funds to make water and sewer improvements to benefit Pepsi-Cola Bottling Company of Luverne ; and

**WHEREAS**, under terms and provisions of Title I of the Housing and Community Development Act of 1974, as amended, the City of Luverne as a recipient of these funds is required to designate and appoint a Financial Officer to perform certain duties in the administration of said grant.

**NOW, THEREFORE**, be it resolved by the City of Luverne, as follows:

**THAT**, Ed Beasley, Mayor, is hereby authorized to execute and submit an application with appropriate assurances to the State of Alabama Department of Economic and Community Affairs, requesting Program Year 2022 CDBG funds in the amount of $500,000; and

**THAT**, the City of Luverne hereby commits to provide cash resources to complete the project in the amount of $283,625 for the local share of the project; and

**THAT**, Ed Beasley, or the current Mayor, be and is hereby designated and appointed as Financial Officer under the terms and pursuant to the provisions of Title I of the Housing and Community Development Act of 1974, as amended, and is directed and empowered to make necessary assurances and to perform on behalf of the City of Luverne, those acts and assume such duties as are consistent with said position.

**ADOPTED** this 12th day of September, 2022.

Mayor Beasley presented the council with Resolution 091222(a) PY2022 Community Development Block Grant, Program for Economic Development (CDBG-ED) awarding the contract to Southern Engineering Solutions for the professional services. Councilman Smith made a motion to adopt Resolution 091222(a). Councilwoman Dawson seconded the motion and the vote was unanimously approved. The resolution is as follows:

CITY OF LUVERNE

RESOLUTION NO. 091222(a)

2022 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

**WHEREAS**, the City of Luverne contacted known qualified firms in order to obtain proposals for the provision of engineering services for a PY 2022 Community Development Block Grant, Economic Development Project (CDBG-ED); and

**WHEREAS**, based on the City’s rating of all proposals received, using the City’s rating system, Southern Engineering Solutions has been deemed most qualified for the services called for; and

**WHEREAS**, Southern Engineering Solutions is not debarred from working on federally funded projects per the SAM.GOV search results attached hereto; and

**WHEREAS**, it has been determined that it is in the best interest of the City of Luverne to award a contract to Southern Engineering Solutions for CDBG-ED Application, and CDBG-ED Post Application services contingent upon awarding of the grant.

**NOW, THEREFORE, LET IT BE RESOLVED** by the Mayor and the Council of the City of Luverne, Alabama as follows:

**SECTION 1**. That, based on the City’s understanding of recent changes to the procurement policy of ADECA, the acceptance of the proposal of Southern Engineering Solutions for the provision of professional services for PY 2022 CDBG-ED Project, has been determined to be in the best interest of the City of Luverne, and that the proposed fee has been accepted as reasonable based on the complexity of the project, ADECA’s acceptable fee scale and the amount and nature of the local match to be provided by the City.

**SECTION 2**. That the City of Luverne hereby elects to select and award Southern Engineering Solutions for the provision of engineering services pending receipt of CDBG-ED funds and ADECA contract approval as required.

**SECTION 3**. That this action is based on the current interpretation of ADECA procurement policy with is acknowledged by this resolution and ADECA policy and memorandum on file.

**SECTION 4**. That Ed Beasley, in his capacity as Mayor, is hereby authorized and directed to execute said contract on behalf of the City of Luverne.

**PASSED, ADOPTED AND APPROVED** this 12th day of September, 2022.

The mayor stated Alethea Gammage’s appointment for the Board of Adjustments has expired. Councilman Smith made a motion to re-appoint Alethea Gammage to the Board of Adjustments. Councilman Jones seconded the motion and all was in favor.

Mayor Beasley stated Foster Carpenter’s appointment for the Planning Commission has expired. Councilman Jones made a motion to re-appoint Foster Carpenter to the Planning Commission. Councilman Smith seconded the motion and all was in favor.

Mayor Beasley advised Mr. Kilpatrick, Principal of Luverne School requested a homecoming parade permit for September 23, 2022 at 12:00 noon. Councilman Smith made a motion to approve the parade permit. Councilwoman Dawson seconded the motion and the vote was unanimously in favor.

The mayor stated that the Council needs to establish the date and time for trick-or-treat. Councilman Smith made a motion to dedicate Monday, October 31th from 5:30 to 7:00 p.m. as official trick-or-treating. Councilman Jones seconded the motion and all was in favor.

Councilman Billings stated back at the end of July before our last meeting the McVay’s brought up wanting to do an event out at the park and the park committee has been trying to work through setting up different guidelines to use. We’re looking at what we use for the multi-purpose center and the big thing is they are wanting to put bounce houses out there to raise money for Crenshaw families who don’t have the money to do Christmas pretty much like what DHR does with operation Santa Claus. We are going to need to decide something on that and I will get something to you so look at your emails. I know legal does not want us to do bouncy houses but at the multi-purpose center we did not rule them out. We simply said they have to get prior permission and they have to provide event insurance with the City as an additional insured. Until we change precedent on that, I don’t know how we do anything different but continue with what we have been doing. Please look for your email because they want to do something in November.

Councilwoman Dawson stated the Crenshaw County Training School was admitted to the historical register August 24,2022.

 Councilman Billings made a motion to adjourn the meeting. Councilman Jones seconded the motion.

Meeting was adjourned.