

**MINUTES OF REGULAR MEETING
PIPERTON BOARD OF MAYOR AND COMMISSIONERS
May 18, 2021, 6:00 P.M.**

The Piperton Board of Mayor and Commissioners met in regular session on May 18, 2021 at 6:00 p.m. at City Hall, with Board members: Vice-Mayor Mike Binkley, Commissioner Preston Trotter, Commissioner Hugh Davis and Commissioner David Crislip. Mayor Henry Coats was absent. City Manager Steve Steinbach, Police Chief Phil Hendricks, Fire Chief Reed Bullock, Finance Director Maria George, Public Works Director Richard Mills, Bill Kilp, Building Official Tommie Johnson, City Engineer Harvey Matheny and City Recorder Beverly Holloway were present. City Planner Brett Morgan was absent. Vicki Hancock, William Meacham, Liz McCommon, John McCarty and et al were present in the audience.

Agenda item 1. Call to order, establish quorum

Action taken: Vice-Mayor Mike Binkley called the meeting to order at 6:00 p.m., and established that a quorum was present.

Agenda item 2. Prayer and Pledge of Allegiance to the American Flag

Action taken: Fire Chief Reed Bullock led in the opening Prayer and Commissioner Preston Trotter led in the Pledge of Allegiance to the American Flag.

Agenda item 3. Any changes to Agenda; Motion to adopt Agenda

Action taken: There were changes to the Agenda with a request to add 2 items, a new item #12-Marshall Utility Service Contract and item #13-TDOT Utility Relocation Contract, Commissioner Trotter moved to adopt the agenda with the proposed changes, seconded by Commissioner Hugh Davis. The Motion received all affirmative votes.

Agenda item 4. Any changes to the Minutes of the Regular Session of April 20, 2021: Motion to adopt the Minutes of the Regular Session of April 20, 2021

Action taken: There were no changes to the Minutes of the Regular Session of April 20, 2021, Commissioner Davis moved to approve the Minutes of the Regular Session of April 20, 2021, seconded by Commissioner Trotter. The Motion received all affirmative votes.

Agenda item 5. Review/approval of Financial Reports, Public Works Report, Building Inspector's Report, Fireman's Report and Police Report

City Manager Steve Steinbach stated we are closing in on the conclusion of the fiscal year, 83% is the mark as stated last month I believe the City has exceeded its revenue collection, over a 112% with two months remaining in the fiscal year largely due to our sales tax collections, property taxes are higher, our building permit income is higher this despite a considerable drop in police enforcement revenue, the Finance Department is preparing our third budget amendment, reconciling the revenues and the expenditures, over all expenditures are under budget, we have several line items due to a variety of emergency repairs, unforeseen acquisitions purchases approved by the Board that we will be presenting during the review of the new fiscal year budget, savings continue to be strong, cash positions are growing, and the balance sheets across the funds are healthy.

Building Official Tommie Johnson stated during the month of April we issued 42 total permits with 10 for new single dwellings, conducted 154 total inspections and handled 13 code compliance issues.

Public Works Director Richard Mills stated Public Works responded to 2 after hours sewer call outs in April, there were 63 work orders with 21 water work order related, made 11 street repairs and 131 utility locates from 811 and picked up 37 bags of litter, the evaluation

process on the elevated water tank should be complete by the end of this week and should have firm recommendation on how to correct the issue with the tank by the first of next week, the structural analysis on the Pinckney House has been completed, specifications have been developed for the foundation repairs and we have already received the quotes: American Standard Foundation was the lowest at \$9935.00 and Ramjack was \$10,000.00 and we hope to start the foundation repair by June 2nd and should take 2 to 4 days to complete the project, the evaluation of the Wastewater Treatment Plant continues, there have been 4 different engineering firms make multiple site visits, I hope to have by the first of next month cost projects from each firm on sampling analysis of our waste and hope to pick a firm to lead us through this process, the grounds maintenance tractor that was ordered sometime back with a delivery date of April has been pushed back and a delivery date is unknown at this time due to shipping issues, we are still advertising for two part time seasonal ground helpers to cut grass, I have received one resume, the full time Administrative Assistant position has been filled by Mrs. Leslie Etz, a Piperton resident and so far she is doing a really good job, the wastewater flow going to Rossville from 3-29 to 4/28 (30 days) was 958,912 gallons, that is an average of 31,963 gallons per day and in your packet there is a breakdown of flows since January 2021 and there has been some interest regarding street lights on Mann Drive, met with Chris Parker of Chickasaw Electric and received pricing to install 8 street lights at a total cost of \$3,728.00 with 6 to 8 weeks delivery period if ordered today.

Mr. Steinbach stated the Mayor was pretty adamant about moving forward on this and so I want to ask the Board what your position was on terms of authorizing this, I proposed to have it reflected in the upcoming Fiscal 2022 Budget as a Capital item but if the Board is satisfied with that price then perhaps you would see fit to authorize Mr. Mills to proceed. The Board authorized Mr. Mills to proceed.

Fire Chief Reed Bullock stated during the month of April there were 9 residential permits, 7 Rough inspections, and 8 finals, there were 33 total calls with 31 in the City, year to date comparison (pg 4 of the report) shows 2021 trending over 2020 in most categories, and would like to acknowledge that Power & Tel made a donation of several cases of hand sanitizer, CDC guidelines have now relaxed mask restrictions if fully vaccinated and will implement on June 1st based on their guidelines.

Police Chief Phil Hendricks stated during the month of April there were 37 dispatched calls, 1 incident reports, 0 arrest reports and 3 motor vehicle crash reports.

Action taken: Commissioner Trotter moved to approve all reports, seconded by Commissioner Davis. The Motion received all affirmative votes.

Agenda item 6. Marion Clark Water Adjustment Request

Discussion ensued and the request was made to write a policy before coming before the Board.

Action taken: Commissioner Trotter moved to approve the request for a water adjustment of \$33.73, seconded by Commissioner Davis. The Motion received all affirmative votes.

Agenda item 7. William Bailey Water Adjustment Request

Discussion ensued.

Action taken: Commissioner Trotter moved to approve the request for a water adjustment of \$411.06, seconded by Commissioner David Crislip. The Motion received all affirmative votes.

Agenda item 8. Piperton Hills CD-O, Phase 1 Development Contract

City Engineer Harvey Matheny stated this item for consideration is with Piperton Hills Phase 1, LLC for a 31 lot single family residential development along Keough Road Extended,

Planning Commission approved the CD-O back in August, the Phase 1 Final Site Plan was approved in March along with the DRC approval and the Board of Mayor and Commissioners approved the CD-O in November, drawing your attention to the water and sewer fees that are described on page 12 of the contract, the water development fees (paragraph 19) per our fee ordinance would amount to \$77,500.00 however the MOU between William C. Adair Development Company and the City in April 2016 recognizes a water fee credit of \$127,644.47 for previous water line installation along Hwy 57 and as phases of Piperton Hills Phase 1 develop that credit basically will draw down over time, the credit balance subsequent to the agreement is $\$127,664.47 - \$77,500.00 = \$50,164.47$ for future phases, the water fees for this phase is cover and similarly the sewer development fees which would be \$6,667.00 per the current fee ordinance, the agreement between the City and William C, Adair Development Company in August 2009 agrees to waive all sewer development fees within the Piperton Hills development and I will note it doesn't waive the builder tap fees only the development fees and so both the water and sewer development fees for this project are waived/credited and so the summary on page 21 reflects this, there is also a surety requirement of \$378,000.00 that is a \$100,000.00 letter of credit for everything internal to the subdivision and a \$278,000.00 letter of credit value for all the off-site improvement which is primary the 12 inch water line extension and the extension of Keough Road to this development.

Action taken: Commissioner Trotter moved to approve the Piperton Hills CD-O, Phase 1 Development Contract, seconded by Commissioner Davis. The Motion received all affirmative votes.

Agenda item 9. Recess – hold Public Hearing concerning Ordinance No. 338-21, adopting Stormwater Design Standards

Action Taken: Commissioner Trotter moved to recess the meeting to hold Public Hearing, seconded by Commissioner Crislip. The Motion received all affirmative votes.

Mr. Matheny stated this is second reading for the Stormwater Design Standards which were developed by a third party consultant hired by the City, this addresses the most critical items as we require developers to meet certain standards and that has been done well in this document which is precise and well organized, this will obviously be changed over time and there are a couple of place holders for things not addressed at this time but this document basically addresses the sizing of pipes and structures and requirements for those things that we are going to hold the developers accountable to and along with detention requirements, and on page 8 there is a requirement for a stormwater management plan.

Action Taken: Commissioner Trotter moved to reconvene the meeting, seconded by Commissioner Davis. The Motion received all affirmative votes.

Agenda item 10. Second Reading, Ordinance No. 338-21, adopting Stormwater Design Standards

Action taken: Commissioner Trotter moved to approve Ordinance No. 338-21 on second reading, seconded by Commissioner Crislip. The Motion received all affirmative votes.

Agenda item 11. FY 2022 – Presentation of Projected Revenues and Preliminary Expenditures

Mr. Steinbach stated the City's Charter requires the City Manager to present projected revenues and expenditures for the forthcoming fiscal year in May, commended Maria and Linda for assembling the data, and these numbers represent the gross proposal of our department heads with regard to operating expenses and capital expenditures, the sum total of the proposed expenditures by department reflect a 9% increase in operating expenses year

over year, 78% of that is attributable to personnel, of the total \$245,223.56 increase-\$191,588.90 is again applicable to personnel, proposing 3% cost of living raises and anticipate some salary adjustments for key personnel based on certifications obtained or promotions, proposing hiring a full time Construction inspector and a full time Code Compliance Officer, there is no increase in insurance premiums, the \$13,590.00 increase is related to new hires or employee classification changes, proposing a 3% increase (\$12,903.81) for retirement benefits for the upcoming fiscal year, proposing \$32,000.00 for increased sewer infrastructure depreciation costs, on capital expenditure items-proposing the Board meets to review/discuss the capital budget items, the overall number is a reduction in the year over year of capital expenses of \$749,335.00 with the bulk reflected in Pinckney acquisition the City has gone through and the removal of that number skewed the numbers, the City is slated to receive \$532,000.00 in the federal bailout that will be in 2 payments and will be primarily used on infrastructure projects so that will impact the capital budget number as well, under departments-Administration increase primarily related to salary increases, our engineering services requirements are increasing, Police-the \$59,100.00 is reflected to budget for a full complement of 7 officers in addition to management, Public Works-\$82,600.00 reflects the proposed new full time construction inspector along with salary adjustments for personnel, Building & Codes-\$50,858.00 reflects the proposed new full time Code Compliance Officer, Water & Sewer increases are related to salaries primarily, Street and Garbage has no personnel budgeted but those are reflected of money in and money out in recognition of increased customer base and in summary with regard to the projected revenues we are anticipating an increase of approximately \$500,000.00 in General Fund revenue year over year with a decrease related to Police enforcement given the pandemic the Courts were closed, proposing a \$95,000.00 increase in enterprise revenue year over year, \$30,000.00 in special fund revenue and the resulting total operating revenues is \$4,058,227.00 and the bottom as it stand right now is \$374,360.80 that is added back to fund balance, and with regards to property tax, the tax rate is anticipated to drop to \$0.3200 as the law requires that the tax rate adjust to make it revenue neutral unless the Board decides to increase taxes and at some point supports the consideration of nominal increases in our property tax rate, the tax rate was first established in 1999 for paving purposes, although we have been able to fund our operations we are going to start seeing the need for additional dollars primarily in our public works activities such as street paving which is an ongoing issue and concern and those additional dollars could prove valuable and each penny increased is worth approximately \$15,000.00 so looking at five cents incremental over a couple of fiscal years could increase our projected property tax revenue by over \$150,000.00 and that paves a lot of roads and provides for additional expenditures for a growing community, fiscally we are in a very strong position and doesn't anticipate this fiscal year to be any different barring emergency repairs, the budget will be presented on the 15th with the second reading on the 29th of June.

New Agenda item 12. Marshall County Utility Services Contract

Mr. Steinbach stated in June of 2006 Piperton entered into an agreement with Marshall Utility Services (MUS) based out of Holly Springs to provide sanitary sewer service to the extreme southwest portion of the community, the agreement that was entered into in 2006 was the result of the Piperton Business Center, one of the developers family had a relationship with this utility provider (Marshall Utility Services) they are the primary utility service provider to the Chickasaw Industrial complex which is thousands of acres that I think was a joint endeavor by the two states years ago and this development is serviced by that and since that initial 2006 agreement we have had other users come on board, the initial agreement with Marshall Utility Services was for a term of 10 years until June of 2016 it automatically renewed for an additional five year term until June 2021, in June of 2019 the Mayor received a correspondence from Justin Hall (MUS Manager) giving notice of MUS

decision not to renew the agreement, there was nothing adversarial about the notice it simply was a preempted effort to give notice to Piperton that it desired to revise the terms of the current agreement which would have continually automatically renewed with no effort on either party for 5 year increments and after we received the correspondence a meeting was held with Mr. Hall, the Mayor, City Engineer Harvey Matheny and myself in July 2019 to discuss a basis of the notice of the non-renewal and at the meeting it was suggested that the primary purpose was the regulatory constraints under which it governed by the State of Mississippi, its blossoming industrial customer base and we have read between the lines on that and understand they have commitments that they must fulfill contractually to large industrial users, we were promised at that time that Justin would provide a revised agreement for our review so months passed and the City hired Bill Kilp in January 2020 and I directed Mr. Kilp to stay on top of that agreement and more months passed and in October 2020 we received the revised agreement that is before you, there were several revisions in the term of that agreement, City Engineer Harvey Matheny and myself reviewed and the take away is the reduction of capacity from 50,000 gallons to 30,000 and the reduction in the term from 5 years to initially 48 months followed by 36 month renewal periods, we were not happy about the revisions so staff held a followup meeting with Mr. Hall at the end of March 2021 and we attempted to renegotiate knowing that his Board would make that decision and we did speak about the fact that the termination or the conclusion of the agreement was readily upon us at June 10th and we need to have Board action and I have had Richard Mills followup with Mr. Hall and my hope was that we would have an opportunity to review a revised agreement by this Body with his Board having had a chance to review it and a respond to our request, we had Harvey do an analysis of the flows in the area and so we were looking for some increase in our capacity, the reality is that we currently send 3,000 gallons a day so we are not at any immediate risk of breaching our capacity but we have a large expanse of undeveloped area and any number of users could significantly contribute to that number, Mr. Mills was finally able to reach Mr. Hall two days ago and was told his Board refused to budge on the terms so staff is asking for the Board to endorse the revised agreement.

Action taken: Commissioner Trotter moved to approve the Marshall County Utilities Contract, seconded by Commissioner Davis. The Motion received all affirmative votes.

New Agenda item 13. TDOT Utility Relocation Contract

Mr. Matheny stated when Pyramex came to the City to develop we met with TDOT and entered into a State Industrial Access Program to improve Keough Road and this contract with TDOT is for the roadway to be designed by TDOT and the entire cost of the project would be State money with the exception that the City is responsible for any right-of-way or easement acquisition cost which we don't anticipate there being any because the right-of-ways have already been dedicated or will be and so we need some additional right-of-way, we are also responsible for the cost of the utility relocation for that stretch of roadway improvement, I believe the only utility that needs some relocation is our water line specifically were it goes underneath the culvert, the culvert that goes under Keough Road in that area is going to be removed and replaced with a larger box culvert and we need to lower our water line to a safer depth below that structure and there are a couple of fire hydrants that need to be relocated as well, we have spoken with Chickasaw Electric, Hardeman-Fayette Gas and all the other providers are out of harm's way and we have estimated the cost of that relocation and some engineering cost to be roughly \$40,000.00, so TDOT will put those plans for the waterline relocation in their construction contract for the roadway improvement but we have to provide the upfront money for that and so this contract is basically for us to provide \$40,180.00 to TDOT in their account so after the contract is bid and the contractor has completed the work will submit for payment for the work and the money is already there as provided by the City for that work, in the development agreements with Pyramex and Power & Telephone there was a

provision for them to put up an additional letter of credit for this purpose so the City is holding Letter of Credit value from both of those developments for utility relocation cost so TDOT is looking to us for the money and we will turn and withdraw from the letter of credit and both developments are aware of this and has been aware of that since day one and so the request is for the Board to authorize the Mayor to sign this agreement pending our City Attorney' review of it and the project is currently set for bid letting on August 20th and we are trying our best to keep that schedule intact.

Action taken: Commissioner Crislip move to authorize the Mayor to enter into the agreement with TDOT Utility Relocation Contract after the City Attorney reviews, seconded by Commissioner Trotter. The Motion received all affirmative votes.

Agenda item 14. Any other old/new business, questions or matters from the audience
There was none.

Agenda item 15. Adjournment

Action taken: Commissioner Trotter made a motion to adjourn the meeting, seconded by Commissioner Davis. The Motion received all affirmative votes and the meeting was adjourned at 7:19 p.m.

Respectfully submitted,

Beverly Holloway, City Recorder

Approved: _____ date: _____