



City of Piggott Council Meeting Minutes

City Hall
194 West Court St.
Piggott, AR 72454

Monday, January 30, 2023 6:00 PM

Piggott City Council met in regular session on Monday, January 30, 2023, at 6:00 p.m. at the Piggott City Hall Community Room with Mayor Bradley Scheffler presiding.

Mayor Scheffler called the meeting to order followed by the Pledge of Allegiance.

Invocation led by Councilmember Kevin Jones

Roll Call

Those present were:

Councilmember Jeff Benbrook

Councilmember Tracy Cole

Councilmember Jamey Parks

Councilmember Kevin Jones

Mayor Bradley Scheffler

City Clerk Nikki Blue

Tardy, arrived @ 6:17 p.m. – Attorney Kimberly Dale

Others in attendance: Utility Manager, Brian Haley, James Lee Magee and Harry Hutchinson

Mayor Scheffler suggested to hold off on minutes from previous council meeting until Attorney Dale arrived.

New Business:

2023 Hospital Budget

James Magee introduced Harry Hutchinson which went over the 2023 Hospital Budget. Councilmember Tracy Cole asked if it included income for the new cardiology clinic. James Magee answered stating it included a net income of \$250k, but had hopes that would be exceeded. He went on to explain that it would take time for the patient load to grow and that they were currently operating only two days a week (Monday & Tuesday) with plans to go to four days a week (Monday, Tuesday, Thursday, and Friday).

Mr. Magee and Mr. Hutchinson also discussed the projected increase from 3.5 - 5 *swing beds* (bed in hospital that can be used for acute or skilled nursing) which could mean over \$1M in revenue.

2023 City Budget

Proposed 2023 City Budget was included in packets for councilmembers to review.

Councilmember Tracy Cole said she had a couple minor questions to ask Treasurer Jamie Cluck at a later time.

Councilmember Jamey Parks made a motion to approve the budget. Councilmember Jeff Benbrook seconded. With all Councilmembers in favor and none opposed, motion carried.

Information Center/Depot/Chamber building

Mayor Scheffler said there was damage/rot on the back side of the building which he was addressing. There has been plastic put on the back side temporarily and both the city and the chamber are looking in ways to fund needed repairs.

Board member appointment:

Mayor Scheffler informed the council that he was still waiting on prospective members to respond before formally appointing board members. This will be finalized at a later date for the following boards:

Planning and Zoning

Municipal Airport Board

Parks and Recreation Advisory Board



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Minutes:

There was discussion of items that were unclear on the November 29th, 2022 minutes and excerpt of December 5th, 2022 minutes that were found signed in the permanent records.

- Councilmembers stated that what was included in their packets on said meeting did not have the error/typo in the resolution that was found in the permanent records (2018 instead of 2022) and it was also assumed that the items missing from the attached 2022 Amended Budget were because those items did not require changes.
- Attorney Kimberly Dale explained the reasoning behind why the excerpt of December 5th, 2022 minutes were not accompanied by full meeting minutes. This was because it was the format required for the issuance of the bond.
- Councilmember Tracy Cole made a motion to approve minutes from the November 29th, 2022 meeting with a correction to the resolution to amend the 2022 budget to reflect the correction to the typo from 2018 to 2022. Councilmember Jamey Parks seconded. With all Councilmembers in favor, and none opposed, motion carried.
- Councilmember Tracy Cole made a motion to approve minutes from the December 5th, 2022 meeting. Councilmember Jamey Parks seconded. With all councilmembers in favor and none opposed, motion carried.

Financials:

There were no questions about the financials.

Councilmember Jamie Parks made a motion to approve the 2023 Financials. Councilmember Kevin Jones seconded. With all councilmembers in favor and none opposed, motion carried.

Resolution to transact and conduct business the G&C Supply Co.

Councilmember Jamey Parks made a motion that the resolution be placed on its reading. Councilmember Tracy Cole seconded. With all councilmembers in favor and none opposed, motion carried.

Attorney Kimberly Dale read the resolution in full. There were no question from councilmembers.

Councilmember Jamey Parks made a motion to approve the resolution. Councilmember Tracy Cole seconded. With all councilmembers in favor and none opposed, motion carried.

Property lien placement:

Attorney Kimberly Dale explained that the City of Piggott has an ordinance requiring a due process prior to placing liens on property. Liens being discussed are from charges incurred by the city from mowing.

Councilmember Jamie Parks made a motion to approve a resolution to be placed on February 2023 meeting with public hearing 15 minutes prior. Councilmember Kevin Jones seconded. With all in favor and none opposed, motion carried.

City updates from Utility Manager, Brian Haley

-Roundabouts

We are getting close to finalizing the city's participation in the project. It was discovered that there were sewer service lines that needed to be rerouted. Two quotes were received for the job with one being \$53,700 and the other \$23,000. By accepting the lower bid, the city is within the threshold of the state's requirements of competitive bidding so no action is required. The only other item needed on the city's part is for the original contractor, Carl Baldwin to finish dressing driveways/ditches along Scurlock. He was unable to finish this because of inability to get concrete at the time.

Once both items are complete, the city can finalize the project and refinance the money to be paid to ARDOT.



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...Roundabouts continued

Brian Haley also informed the council that the city would be reimbursed for 71.54% of the project. The current total is \$325,834.00 with the city's portion being \$92,732.36. ***These totals are not final until the project is complete.*** The city has already made two payments of \$18,305.29 with a third payment due March 1st. At that point, the city's balance will be \$37,816 and the city will look at refinancing that over 10 years at 0% interest.

-There is currently no projected finish date by ARDOT

-Sidewalk Grant, information only

This is an 80% grant funded project. The overall estimated cost is \$443,700 with \$300,616 paid by federal grant and \$143,154 paid by the city of Piggott. The city, to date, has paid \$5k in survey work and right at \$24k in engineering. They are currently at 60% completion of project design and should be at 90% within the next month-month and a half which will be roughly another \$10k for the remainder of the engineering work. This leaves a balance of approximately \$104,154.00 out of pocket for the city of Piggott for the sidewalk project.

Brian Haley confirmed with the councilmembers that they were aware that this was an *out-of-pocket expense* and not "in kind". All council members acknowledged they were aware.

Councilmember Tracy Cole asked if there was a timeline on the project being complete. Brian Haley said there were no dates mentioned yet. Councilmember Kevin Jones asked to be reminded of the exact location of the sidewalks. Councilmember Tracy Cole responded stating that the sidewalks would start "at 3rd Street at the corner where Brett McMillon's office is, all the way down to Cherry and then up to Hemmingway Pfeiffer."

-ARDOT Paving Grant

The city was awarded the ARDOT paving grant at a max of \$300k. This will include the portion from the corner of Clay Street and 12th Avenue, all the way to Houston Avenue and back to Clay Street. The low bidder came in at \$396k. The city of Piggott will be responsible for the remaining \$96k. Mayor Scheffler wants to complete this paving project with no interruptions so funds from the streets and drainage budget will be used.

-Councilmember Kevin Jones asked if the sewer problem on 12th would be addressed prior to streets being paved. Brian Haley said that the lines had been inspected with a camera and nothing substantial had been found, but Mayor Scheffler said that he would like to get the highway department of engineers to look at it prior to paving 12th Avenue.

-Attorney Kimberly Dale stated that since the funds were in the budget, no vote was necessary.

-It was also noted that this was the same grant that had been previously awarded and used for paving Clay Street 4 years ago and 4th Avenue before that. Councilmember Jamey Parks noted that this grant can be applied for every other year to continue with paving projects within the city.

Utility: from Utility Manager, Brian Haley

New Business

Electric

With cold weather here, there have been concerns voiced by residents of power outages. Brian Haley said they have been looking into using our power plant for EMERGENCY ONLY. If we want to use our power plant for emergency only and are separated from the grid, there is no consequences of using the plant.

The insurance has been dropped and boiler inspections on air tanks have not been done. If we wanted to get back to where we could put energy into the market, there was no resource adequacy tests done in 2022 so we would have to do resource adequacy tests in 2023 to be a market participant in 2024.



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...Electric continued

Brian Haley stated that a lot of people within the city were unaware that the power plant had been shut down and asked if it was the councils' wishes for it to remain that way or if they wanted to explore the possibility of seeing the cost of getting it back up and operational for EMERGENCY USE ONLY and cut from the grid. He asked the council what they wanted to do moving forward.

Councilmember Tracy Cole and Councilmember Kevin Jones stated that there was an evaluation done and it would cost "Millions" to get it to EPA standards and it was too costly to have done.

Brian Haley explained that the "3100 engine" was capable of running 2MW and the "960 engine" could run 2.5MW. 2.5MW in dire situations would be enough to power the grocery store and a gas station so that people could get food and gas in worse case scenarios. He stated that in the coldest weather, we ran about 6MW, so if some of the non-essentials were cut out, with the two engines, we could supply about 80% of our own power if needed for emergency.

Insurance would still be needed, and some engine maintenance required. He went on to say that there was a third engine, the "2880 engine", which was also capable of running 2MW but has a heat exchanger issue that would cost approximately \$10k to correct.

Councilmember Tracy Cole suggested that we go back to look at the previous study to see what the cost would be to get it to EPA standards.

Brian Haley stated that for using the power plant for emergency use only, it would not have to meet EPA standards as you are only allowed to run for so many hours per year. EPA standards would only have to be met if we were to use the plant continuously as a market participant.

Comments were made that it was essential in 2009, but there was concern with the cost of getting it running. Mayor Scheffler stated that if we did get it operational, there would not be a full-time employee required for the plant.

There was more discussion on the difference in emergency use requirements versus being a market participant requirements.

It was decided to pull and review the previous study and look at current costs of repair and insurance before making a final decision.

Water and Sewer

Weather permitting, work is ready to be started on the new sewer plant.

2023 Proposed Utility Budget

Councilmember Tracy Cole asked about the 16" main cover that was mentioned in a prior budget and if it was already done. Brian Haley stated that it was in progress and partially (half or more) paid in 2022. There was another payment due once it was complete but was not specified in the budget because it was considered "maintenance" and would be paid from other funds. He further explained the details of the work: There is a 16" main that runs from the pumping station to the elevated water storage tank. The main had eroded and required dirt work and maintenance to repair.

Brian Haley went over other specific details in the budget for electric, water, wastewater, and trash with the council.

He stated that there was \$30k in 45' poles that were ordered January 5th because they currently had only 7 in stock. The 45' poles are the most used and are 16 weeks out on orders.

CT/PT testing -this needs to be done periodically and hasn't been done in 5 years.

Wire -explained that current wire inventory was down to almost nothing.



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...2023 Proposed Utility Budget continued

Substation – relays need replaced, battery backup bank was at the end of its life last year and needs replaced.

Pad Mount Transformers – stated that the city has roughly 100 25kVA transformers and 40-45 50kVA transformers in the system and currently only ONE 50kVA spare.

There were 5 25kVA transformers ordered about a month and a half ago of which 2 have arrived. There were others that were sent out for repair. Once the remainder that were ordered arrive along with the ones that were sent for repair, the city will have roughly 8-10 of each in stock.

Justin Welch explained that they keep them in rotation for recycle or repair. They have them evaluated so that if they can be repaired, the city can get them at a cheaper rate.

Brian Haley stated that there were “new construction” homes going in and those would all require Pad Mounts, so the city was trying to keep inventory up to be able to accommodate without running low for regular service.

Black River Technical College

1,000 KW Transformer has been delivered. City is just waiting for Black River to get piping done to have power run into the building. Contractor has already been lined up to do the concrete work.

Discussed that Black River would have 15 slots available for welding and 15 slots available for robotics. Those slots not filled by high school students would be available for walk-ins.

Mayor Scheffler mentioned that Black River has asked the city to purchase a spare transformer for them, but said that would have to be budgeted. Brian Haley state that the cost of the transformer that was delivered was \$48k. He went on to explain that the larger transformer spares are typically used for different locations such as the spare for Hardees is the same as the spare for Sonic and they may keep one spare for multiple locations. The spare transformer they require is specifically designed for their facility only. This is a top priority, but will have to find the funds to be able to provide it.

Councilmember Jeff Benbrook made a motion to approve the 2023 utility budget. Councilmember Jamey Parks seconded. With all in favor and none opposed, motion carried.

Councilmember Jamey Parks discussed attending the municipal league meeting. He encouraged participation in a grant writing class that is being offered and provided additional contact information.

Attorney Kimberly Dale noted that a resolution was needed for city and utility budget approvals and asked for clarification from the council to prepare those for the next meeting. Since the budgets were already approved by the council, no additional vote was necessary.

No public comments or questions.

Adjournment

With no other business on the agenda, Mayor Scheffler asked for a motion to adjourn. Councilmember Tracy Cole made a motion to adjourn. Councilmember Jamey Parks seconded. With all in favor and none opposed, motion carried.

Mayor, Bradley Scheffler

City Clerk, Nikki Blue