

City of Piggott Council Meeting

Minutes

City Hall 194 West Court St. Piggott, AR 72454

Thursday, June 22, 2023 6:00 PM

Piggott City Council met in regular session on Thursday, June 22, 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 Attorney Kimberly Dale **Others in attendance:** Utility Manager-Brian Haley, Judge Mike Patterson, Sherriff Ronnie Cole, Matt Miller (General Manager, CCC),

Minutes:

Mayor Bradley Scheffler asked for a motion to approve the minutes from the May 25, 2023, meeting. Councilmember Jamey Parks made a motion to approve minutes from the May 25, 2023, meeting. Councilmember Tracy Cole seconded. With all councilmembers in favor and none opposed, motion carried. <u>Financials</u>

Mayor Bradley Scheffler asks Brian Haley if he is going to speak on the financials. Brian Haley explains that they provided financials through April. He continued with how they reached out to Kraft, Miles and Tatum (CPA) and Michelle Mckinnie, who lives in Piggott, was able to come in to assist us and work with Tiffany (Bosworth). He said that she's been working with Tiffany on and off for the last two weeks. He stated that by the next board meeting, we would be current through the month of June. Councilmember Tracy Cole stated she had a couple questions. She asked about the purchased power expense and noted that it was more than double last year. Brian Haley explained that the last week in December (2022) we had extremely high power prices when all the cold weather hit, Plum Point went down and we were at the mercy of the market. In January power purchases usually run around \$220k-\$250k, this year it was \$455k and the elevated costs ran over into February. Additionally, when Plum Point goes down for spring maintenance, we have to pre-pay two months. When Plum Point is running, we sell energy we don't use back to the market but haven't been credited for that yet. He explains that we have a 12month rolling fuel adjustment, so it takes awhile to recoup some of the big hits. He also noted that the mild temperatures we had through April caused us to be down an additional \$250k in sales. Councilmember Tracy Cole said it was concerning because we had a \$442K profit and now we had a \$557K loss. Brian Haley said we should have our credits applied on the July invoice and be trued back up. He stated that all other line items where at or below what they were last year, and this loss was just 100% power purchases.

Brian Haley said he would have a power report for the next meeting but has to finish up 2022 because it was not complete. Mayor Bradley Scheffler mentioned looking at the 12-month rolling average and see if it would be beneficial on changing it to a 6-month average. Councilmember Jamey Parks asked what we were doing before it was changed to 12 month. Brian Haley said we were doing a monthly fuel adjustment which can cause severe swings that customers don't like.



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Councilmember Tracy Cole said the other question she had was regarding the sales tax revenue and how it shows that we collected it, but no outflows in May. She asked if he could follow up on that for her.

Councilmember Tracy Cole asked that with job stimulus if the rental and lease payments happen monthly or quarterly because she noticed that there was no revenue for May. Brian Haley said that he knows one is quarterly, but he will have to check on the others.

Mayor Bradley Scheffler thanks councilmember Tracy Cole for her questions and asks the council to acknowledge that they all received financials. All acknowledged they did.

Old Business:

Clay County Connect

Mayor Bradley Scheffler noted the material that was provided in the packets with the breakdown of pros/cons, prices, proposed start dates (and additional information). He askes if Brian Haley wanted to speak on it or if anyone had any questions. Brian Haley stated that they have had a few working sessions with councilmember Tracy Cole and that the job of the utility department is to provide as much accurate information as possible to the council and for the council to make the final decision. He stated that there are some cons to it being in our power space and it would affect the daily operations with the electric department. He said that Justin Welch was unable to be here tonight but put together the information that was provided in the packets. Councilmember Tracy Cole said she thanks Justin (Welch) for that information and that it was very helpful. Councilmember Kevin Jones asked if it was a "deal breaker" if they (Clay County Connect) couldn't do it within that 40" rule. Brian Haley stated that it would change things for the electric department, but it could be done. Councilmember Kevin Jones asked if the rules (that were included in the packets) were "Piggott" rules, state rules, or what. Multiple responded that the rules were National Electric Safety Code (NESC). Councilmember Kevin Jones looked to Matt Miller (General Manager, CCC) in the public seating and asked if Clay County Connect would service us if they can't be within that 40"? Matt Miller responded with "I can't answer that right now." Brian Haley stated that they have reached out for legal advice (outside legal, not city attorney Kimberly Dale) and have not gotten a response yet. He said that the city's concern with having CCC in the power space is that if there are technicians working on fiber, which is very close proximity to transformers and primary distribution, if one of them get hurt, where does the liability fall? Councilmember Kevin Jones asked how the other towns do it. Councilmember Jamey Parks said that from what he understands, in Rector, CCC is in the communication space, not power space. Matt Miller stated that they didn't have a deal with Rector.

Councilmember Tracy Cole stated that the meeting was being recorded for the public, so she wanted to be clear that the issue was with the requirements that were being asked of the city for CCC to service us. CCC wants to put their fiber lines in our electrical power space instead of the normal communication space. She notes that she is stating this so everyone understands the issue and that does present certain safety risks for not only our employees, but also their employees.

Councilmember Tracy Cole makes a motion to approve Clay County Connect to provide services to the city of Piggott with no "in kind services" (meaning no fiber or no additional services on their part for the city), but with the following stipulations: pole fees are paid, that CCC comply with the National Electric Safety Code and are in the communication space. Councilmember Kevin Jones seconded. With all in favor and none opposed, motion carried.

Mayor Bradley Scheffler askes if there is any other old business to discuss. Councilmember Tracy Cole askes if we were going to discuss Brightspeed or if that was just information provided in the packets. Mayor Bradley Scheffler said that it was just additional information that was provided to the council.



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<u>New Business:</u>

-Chamber building Repair

Mayor Bradley Scheffler notes the quote from Hobbs that was included in the packets for repair of the Chamber building. He stated that they had requested quotes from others, but no other quotes were turned in. This is for the back wall that is currently covered in plastic. Councilmember Tracy Cole asked if money was budgeted for this. Mayor Bradley Scheffler said that there was \$5k in the budget and the chamber was going to try to raise some. He also stated that Treasurer Jamie Cluck said there was money that had been saved on other items that we could potentially use if needed. Councilmember Tracy Cole said that she thought we could use job stimulus funds since it was related to tourism.

Mayor Bradley Scheffler asked for a motion to approve the repair bid. Councilmember Jeff Benbrook made a motion to approve the bid to repair the chamber building. Councilmember Tracy Cole seconded. With all in favor and none opposed, motion carried.

-Parks and Rec.

Brian Haley says the kids are loving the pool! Councilmember Tracy Cole says, even the big kids. Brian Haley said that selling our own concessions this year has gone over well and states that pool parties are booked up. He states that the pavilions at Heritage Park are being utilized and rented out and there hasn't currently been any major issues.

City updates from Utility Manager, Brian Haley

-Roundabouts

Brian Haley said he was optimistic that they would get the asphalt done at the stoplight this week, but after speaking with them found out that Delta, which is the same contractor that will be doing our overlay project, is who will be doing the asphalt work. They were currently working on another project and did not know when that would be done, so ours would not be done at the stoplight by the 4th of July. Brian Haley said that when he reached out to Sugg construction, he was told it should be about 3-4 weeks and they would be here after that. When Brian Haley had asked about the completion of the different areas, he was told September for al of them. He said they were designed to all be completed at the same time.

Brian Haley spoke about the lighting going in for the roundabouts. He said there would be 8 lighting fixtures at two of the sites and 11 lighting fixtures at the site by the bank along with 3 crosswalks. Brian Haley said he asked if the lighting fixtures were going to be like the stoplight in that they would be installed, and it was left to the city to maintain them and cover the energy. He was told, we'll wait to be seen. He stated that he didn't feel like there would be much maintenance, but it would probably be left to the city to handle.

Asphalt work

Brian Haley spoke with (Sugg Construction) and they would be ready to start the project once they got asphalt.

Sidewalk

Brian Haley spoke with Greg Bell and was told that ARDOT was still receiving comments. Utility: from Utility Manager, Brian Haley

Electric

Brian Haley said we had an outage last night (3a.m. actually). A transformer was thrown offline. He explained what had happened and that he contacted our engineer who came and installed a delay to address the issue.



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Water and Wastewater

Brian Haley says the wastewater plant is doing well. Our fist sample came back good, and the plant is improving so we are very optimistic that it is going to be exactly what we want. There's still a little bit of work to be done. The company installing the curtain came and took measurements to finish that and we are still working on the grating. Mayor Bradley Scheffler included that it looked like we would have enough money to complete that project.

Public Questions and/or Comments:

Mayor Bradley Scheffler asks if there are any announcements. No one spoke up. He continues and asks if the public has any other questions or comments. No one spoke.

Adjournment

With no other business on the agenda, 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