

JACKSON CITY COUNCIL
Regular Session
November 10, 2014
7:00 P.M.

Jackson City Council met in regular session on November 10, 2014 at 7:00 p.m. at Jackson City Council Chambers. The meeting was called to order by President Pro-Tem Eric Brown. The Pledge of Allegiance was led by Mr. Foster. The Prayer was given by Mr. Brown.

Roll call was taken as follows:

- Eric Brown- present
- George Kitchen-present
- Loretta Jones- present
- Jon Hensler- present
- Ron Queen- present
- Jeff Elliott- present
- Brett Foster- present

Mr. Elliott made a motion to excuse Council President, Ron Speakman from the meeting, seconded by Mr. Hensler. In a voice vote, all members agreed.

APPROVAL OF MINUTES

Mr. Elliott made a motion to approve the minutes from October 27, 2014 Regular session meeting, seconded by Mr. Jones. In a voice vote, all members agreed.

VISITORS

COMMITTEE REPORTS

UTILITY-No Report

BUDGET & FINANCE - Mr. Elliott stated a proposed 2015 budget had been given to everyone for their review. He wanted to remind council this is a complex budget that includes 4 businesses. He said council should focus on the General fund. He noted some money is counted twice. Council agreed to meet on Monday, November 17, 2014 at 7:00 p.m. in City Council Chambers to discuss any questions council may have regarding the proposed budget. Mr. Sheward suggested council review it before the meeting and either call the office or send an e-mail with any questions prior to Monday's meeting.

POLICE, FIRE, AND TRAFFIC - No Report.

SERVICE-No Report

Mr. Foster had an issue to discuss regarding traffic. He is concerned about the intersection of Vaughn and South Streets. Traffic turning left is congesting the intersection. This needs to be discussed and come up with a solution. A "No Left Turn" sign was mentioned and a couple of other options. Mr. Kitchen would also like to have the speed calculator sign moved to the Cardo's area. Speeding is getting bad in that area. Mayor Heath said they would see about moving it. It was agreed to have a Police, Fire, and Traffic committee meeting to discuss this on November 17, 2014 at 6:30 p.m. in City Council Chambers.

AUDITOR

Mr. Reed stated to contact his office with any questions regarding the proposed budget prior to Monday night's meeting.

Law Director

Mr. Kirby stated the response to the Department of Labor letter for Doug Reed, was done today. He will get a copy of it to council members.

Mr. Queen inquired about the status of the Freeman St. property. Mr. Kirby said it is progressing as a tax foreclosure.

MAYOR

Mayor Heath said black birds were the cause of the electric outage a couple of weeks ago. He stated when the electric upgrades are completed, this shouldn't happen. It should just reset itself.

Mayor Heath said tomorrow (November 11th), should be a historic day in the City of Jackson. There will be a dedication of the sign and new name of Manpower Park and also the dedication of the new Veteran's Park at 10:00 a.m. The Veteran's Day ceremony will follow at 11:00 a.m. He said the new bleachers are in place and are very nice. He wanted to thank Mr. Brown and Mr. Kitchen for suggesting the purchase of the bleachers and Mr. Sheward for his help with getting them in time for the dedication. He also wanted to thank Mr. Speakman for all of his effort done on the new Veteran's Park. Without him, it wouldn't have been possible. It is a tremendous asset to the community.

Service Director

Mr. Sheward stated Ordinance No. 68-14 is for the proposed budget for 2015. Ordinance 67-14 is for the first payment on the failed AMP project. It is still pending litigation and depending on the outcome, the amount owed could be reduced. Mr. Queen asked if the money for the payment was already budgeted and Mr. Sheward said yes, it had been set aside.

ORDINANCES AND RESOLUTIONS

ORDINANCE NO. 61-14

AN ORDINANCE AUTHORIZING A WAGE INCREASE FOR THE POSITIONS OF CHIEF OF POLICE AND ASSISTANT CHIEF OF POLICE AND DECLARING AN EMERGENCY.

Second Reading

ORDINANCE NO. 67-14

AN ORDINANCE APPROVING ADDITIONAL APPROPRIATIONS IN THE ELECTRIC FUND AND DECLARING AN EMERGENCY.

FIRST READING

Mr. Elliott made a motion to adopt the ordinance, seconded by Mrs. Jones. In a voice vote, all members agreed.

Mr. Reed stated this is the first payment of sunk cost for the Meigs coal-fired electric project that failed a few years ago. The City owes approximately \$2.2 million dollars and they need to start paying on it. Mr. Reed said they thought about paying the whole amount and getting it off of the books, but AMP did not want them to, because they didn't want it to show them in the red for a year. They are carrying it at a very low interest rate. They felt they could handle a payment of \$500,000 at this time without going into a net loss. If money comes back after the litigation is done, money will be applied to the debt of all members. Mr. Reed stated there is also a piece of property that is for sale that is now at the Supreme Court level. Mr. Queen wanted to know where the money was coming from and Mr. Reed said it is coming from the electric funds. Mr. Brown verified this payment is to be paid in 2014 and Mr. Reed said yes. Mr. Brown stated they would be paying this amount for a couple of years to pay down the debt and interest. Mr. Hensler asked, if there was a possibility of not having to pay all of the debt due to the litigation, then should they pay anything right now. Yes, because it is an amount they would still have to pay. Mr. Hensler wanted to know if the other cities involved are still making their payments and the answer was yes. Mr. Queen asked if there is reserve money in the electric funds in case of an emergency. Mr. Reed stated they have extra money in the Electric

Dept. Roughly there is \$7 million dollars not being used right now. They do have the ability to pay it.

Mr. Elliott made a motion to suspend the rules, seconded by Mrs. Jones. In a roll call vote, council voted as follows:

Mr. Brown - yes
Mr. Kitchen - no
Mrs. Jones - yes
Mr. Hensler - no
Mr. Queen - no
Mr. Elliott - yes
Mr. Foster - yes

ORDINANCE NO. 68-14

AN ORDINANCE ESTABLISHING APPROPRIATIONS FOR JANUARY 1, 2015, THROUGH DECEMBER 31, 2015, AND DECLARING AN EMERGENCY.

FIRST READING

Mr. Elliott made a motion to adopt the ordinance, seconded by Mr. Queen. In a voice vote all members agreed.

Mr. Elliott stated they had underspent the budget every year since he had been on council, so they had carryover. This will be the last year they will have carryover.

Mr. Hensler stated they have already overspent the original budget that was budgeted for 2014 and they are projected to again next year with a zero balance in the General Fund at the end of next year.

Mr. Reed did not agree with Mr. Hensler's statement. He said they did do additional appropriations, but did not overspend. He said money is moved around between funds. A lot of money is used 2 or 3 times. He feels a tight budget is a good thing.

CORRESPONDENCE-NONE

OLD BUSINESS

Mr. Queen asked if they had checked on grants for the Memorial Building. Mayor Heath said most of the grants available are for sewer and water infrastructure. He said grants are going to become fewer and fewer. Most of them are matching grants. They do continue to look for grants.

Mr. Elliott stated if the government would ever raise the interest rates everyone would be in better shape. Mayor Heath stated the city lost a lot of money in interest income. He approximated \$4.5 to \$5 million dollars lost in the last few years.

Mr. Kitchen asked if they are still working on the heating and cooling project and Mayor Heath stated, yes they are.

Mr. Brown asked Mr. Kirby about the status of the dog situation on Center St. Mr. Kirby stated there is one case still pending, but nothing is rescheduled.

Mr. Kitchen asked Mr. Sheward if they sent a letter to the property owner at 245 Bridge St. Mr. Sheward stated he didn't know without looking, but he had noticed it is occupied.

NEW BUSINESS

Mr. Kitchen stated he feels the city needs a cost improvement program. He said he feels there is a lot of money being spent that could be cut back.

Mr. Kitchen asked how the Sewer fund is doing. Mr. Reed said it looks better than it has for a long time. Mr. Sheward stated he really couldn't project how it would look for next year due to a couple of projects coming up next year.

Mr. Hensler made a motion to adjourn at 7:45 p.m., seconded by Mr. Queen. In a voice vote, all members agreed.

Sherry Barr
Sherry Barr, City Council Clerk

11-24-14

Date

Ronald Speakman
Ronald Speakman, Council President

11/24/14

Date