

OFFICIAL PROCEEDINGS
CITY OF MORGAN CITY
AUGUST 23, 2022

The Mayor and City Council of Morgan City, Louisiana, met at 6:00 pm (local time) in regular session, this date, in the City Court Building, Highway 182 East, Morgan City, Louisiana.

There were present: Honorable Lee Dragna, Mayor; and Council Members Ron Bias, Steve Domangue, Tim Hymel, Mark Stephens and Louis J. Tamporello, Jr.

Absent: None

Also present were Mr. Charlie Solar, Jr., Chief Administrative Officer and Mr. Paul Landry, City Attorney.

The invocation was given by Reverend Marty Harden.

There was no Positive Image recipient for the month of August.

State Representative Beryl Amedee gave the Council an end of session report. She stated that she and others had met with DOTD and there would be a resurfacing project of 500 to 600 feet near Shoney's on LA 70. Mayor Dragna said that he had also met with the head of the DOTD and they had agreed to grind several spots near the Greenwood overpass and that work had since been completed.

Mr. Greg Green with the Morgan City Music Foundation submitted a request to hold concerts on October 22, 2022 in Lawrence Park in conjunction with Trunk or Treat and on November 26, 2022 in Lawrence Park in conjunction with the Mistletoe and Moss event (copy on file). A motion to approve the requests was made by Mr. Stephens, seconded by Mr. Domangue, and voted unanimously in favor.

Mr. Dwayne Barbier addressed the Council asking for permission to hold Trunk or Treat under the US 90 bridge on October 22, 2022 and the Morgan City Christmas Festival on November 26, 2022 (copy on file). A motion to concur in the requests was made by Mr. Domangue, seconded by Mr. Hymel and voted unanimously in favor.

Charlie Solar, CAO, stated there was going to be a City clean up day on Saturday, August 27, 2022. They would meet at the Auditorium at 8:00 AM and hand out supplies and t-shirts to all volunteers. He encouraged everyone to come out and help. A motion to approve the cleanup was made by Mr. Hymel, seconded by Mr. Stephens and voted unanimously in favor.

Mr. Solar said he wanted to clear up some confusion on the Concrete Canvas Project. He stated he had only received positive feedback from the community. The DOTD was approving each and every painting that was done. Mr. Tamporello said they never came to the Council for approval and he would like to approve every one. He did not want to end up with Three Stooges movie type art like the boiling pot with water coming up and thought it would be a good idea to do the Shrimp & Petroleum Festival posters. Mr. Solar said he would send the pictures to the Councilmen as he received them for their approval as well.

Ms. Sara Herrera with Alto School of Dance and Mrs. Mildred Swan with Spectacular Steppaz submitted a request to the Council to hold a Christmas parade on December 17, 2022, and on the third Saturday of each year in the future (copy on file). The requested route was the same route as the annual Adonis parade. The parade would start at 6PM and there would be dance studios, choir groups, and anyone interested in participating. Mayor Dragna stated that he felt the Adonis route was very long and was worried about the security for the night parade. He suggested that maybe the route be changed to the Second Street area to shorten the length of the parade. Ms. Herrera said she was open to changes in the actual route. A motion to allow the parade as long as they spoke with the Police Chief and worked out the best route was made by Pastor Bias, seconded by Mr. Stephens, and voted unanimously in favor.

Mr. Bryce Merrill updated the Council on the Oilfield Divers Monument. He stated that they had received approval from the Convention, Tourism and Culture Commission for the placement of the monument and so far \$69,000 of the \$75,000 goal had been raised. The projected date for the memorial opening was April 2023.

Mr. Merrill presented the Council with some paperwork from Reuse Recycling (copy on file). The company would supply the City with recycling sacks and also sent drawings to build holders for the sacks cheaply. When 28 sacks were filled, the company would come and pick them up and would give the City 90 percent of the profits from selling the materials. He asked that they be allowed to place them under the US 90 bridge. Mr Tamporello expressed concern for the placement. He stated the current recycling bin under the bridge was always a mess and was concerned that this would pose the same problem. Mr. Solar stated that he had recently spoken to the Mayor of Monroe and they had turned an old building into a recycling center. He was supposed to go to meet with them and wanted to research it a little more. His only concern was what they would do with the items once they were collected, but this may be the perfect solution. The only concern would be making sure someone was there to collect the recycling to ensure that no tires, oil, or other items be dumped there.

The minutes of the July 26, 2022 meeting were submitted. There being no corrections, additions, or deletions, a motion to approve the minutes was made by Pastor Bias, seconded by Mr. Tamporello, and voted unanimously in favor.

Mrs. Deborah Garber, Finance Director, submitted the following financial statement for the period ending July 31, 2022.

MONTHLY FINANCIAL STATEMENTS

DATE: August 23, 2022
TO: Mayor and Council
FROM: Deborah Garber
RE: Comments related to summary of revenues and expenses compared to budget for the period ended July 31, 2022.

Attached is a summary that compares our actual revenues and expenses to our operational budget for our major funds subject to budgetary control for the period ending July 31, 2022. The following comments are related thereto:

General and Ancillary Funds: The actual total revenues remain over budget by \$736,176. Sales taxes in General Fund were over budget by \$389,000, dividend from workmen's compensation by \$100,000, and Fines by \$71,000, and Parkway and Lake End Park by 140,000. Operating expenses are below budget by \$704,672. The net loss, after transfers, of \$412,302 is a favorable variance of \$1,366,348 compared to the budget.

Utility Fund: Actual revenues are now over budget by \$285,303. The operational expenses are currently over budget by \$915,556. The cost of purchased power is \$934,000 over budget and natural gas is over by \$144,000. The net loss, after transfers, of \$1,117,183 creates an unfavorable variance of \$583,515.

Sanitation and Sewer Fund: The operating revenues remain under budget by \$42,234, with total operating expenses now over budget by \$40,597. The net income, after transfers, of \$35,457 leaves an unfavorable variance this month of \$85,173.

Respectfully submitted,
/s/ Deborah Garber
Deborah Garber
Finance Director

**CITY OF MORGAN CITY
CONSOLIDATED STATEMENT**

Actual Revenues and Expenses Compared to Budget
Period Ended July 31, 2022

GENERAL AND ANCILLARY FUNDS	JULY	JULY	VARIANCE
	2022	2022	
REVENUES	ACTUAL	BUDGET	
General Fund	3,806,095	3,171,072	635,023
Recreation Fund	84,251	47,070	37,181
Library Fund	7,103	8,470	(1,367)
Auditorium Fund	50,149	36,022	14,127
Lake End Park Fund	619,089	478,606	140,483
State Prisoner Fund	133,864	223,135	(89,271)

Total Revenues	4,700,551	3,964,375	736,176
EXPENSES-OPERATIONAL			
General Fund	5,831,639	6,126,317	(294,678)
Recreation Fund	228,902	301,380	(72,478)
Library Fund	46,837	88,003	(41,166)
Auditorium Fund	252,466	278,258	(25,792)
Lake End Park Fund	484,598	691,857	(207,259)
State Prisoner Fund	428,744	492,043	(63,299)
Total Expenses	7,273,186	7,977,858	(704,672)
TRANSFERS			
Transfers from Funds	2,799,333	2,752,333	47,000
Transfers to Funds	(639,000)	(517,500)	(121,500)
Net Transfers	2,160,333	2,234,833	(74,500)
EXCESS NET OF TRANSFERS	<u>(412,302)</u>	<u>(1,778,650)</u>	<u>1,366,348</u>
UTILITY FUND			
Total			
Revenues	13,038,458	12,753,155	285,303
Total Expenditures	12,176,604	11,261,048	915,556
Net			
Excess	861,854	1,492,107	(630,253)
Net Transfers and non-oper.	(1,979,037)	(2,025,775)	46,738
Excess net of transfers	<u>(1,117,183)</u>	<u>(533,668)</u>	<u>(583,515)</u>
SANITATION AND SEWER FUND			
Total			
Revenues	1,722,794	1,765,028	(42,234)
Total			
Expenses	2,421,307	2,380,710	40,597
Net			
Excess	(698,513)	(615,682)	(82,831)
Net Transfers/non-operating expenses	733,970	736,312	(2,342)
Excess net of transfers and non-operating	<u>35,457</u>	<u>120,630</u>	<u>(85,173)</u>

A motion to accept the financial statement was made by Mr. Domangue, seconded by Mr. Bias, and voted unanimously in favor.

The next matter on the agenda was the condemnation reports. Mr. Pete Lawton stated that the house located at 813 S Everett Street had been adjudicated to the City in 2020. A motion to demolish the house was made by Pastor Bias, seconded by Mr Hymel and voted unanimously in favor.

Mr. Lawton stated that the house located at 120 Terrebonne Street had caught fire the Friday before Mardi Gras and needed to be demolished. The owner, Corey Fernandez, had signed for both letters, but was not present at the meeting. The price to tear down was around \$5,000, but about \$2,000 of that would be waived tipping fees. A motion to demolish the house at 120 Terrebonne Street was made by Pastor Bias, seconded by Mr. Domangue, and voted unanimously in favor.

Pastor Bias asked Mr. Lawton about the status of the condemned houses from Oak Street to Headland Street. Mr. Lawton stated that he had spoken with owners of some and they had promised to tear them down themselves. Mayor Dragna told Mr. Lawton to quit taking excuses and start taking action on them. He suggested that he, Pastor Bias and Mr. Lawton go and ride one day to see which need to be addressed first.

Mayor Dragna stated that the leases for Cajun Sno & More and Lake End Rentals in Lake End Park needed to be renewed. Mr. Tamporello asked why it stated in the Southern Sno Contract that they were not allowed to sell alcohol, but it did not in the Lake End Rentals. He asked that the no alcohol sales be added into the Lake End Rentals Contract. He asked Mr. Barbier if anyone spoke with Mr. Scully about his signs on the fences. He felt

that the Lake End Park Committee should decide the number and placement of any signs on the fence at Lake End Park. Mr. Barbier stated that he would bring that to the Committee and Commission; whereupon,

Mr. Hymel offered the following Resolution, who moved for its adoption.

RESOLUTION NO. R: 22-36

WHEREAS, by Resolution R: 19-22 dated May 28, 2019, the City entered into a contract with Mike Liner and Arissa Price, d/b/a Southern Sno & More for the use of a portion of Lake End Park from which to provide concessions, and

WHEREAS, Mr. Liner and Ms. Price are desirous of continuing this operation in Lake End Park, and

WHEREAS, the Recreation and Parks Commission has agreed to allow the renewal of the contract for five (5) years, beginning September 1, 2022.

NOW THEREFORE BE IT RESOLVED, by the City Council, the governing authority of the City of Morgan City, that (1) it approves the proposed contract between the City and Southern Sno & More, Mike Liner and Arissa Price, Owners, and (2) the Mayor, be and he is hereby authorized, empowered, and directed to execute any documents necessary in carrying out the intent and purpose of this resolution.

Mr. Domangue seconded the motion.

The vote thereon was as follows:

AYES: Hymel, Domangue, Bias, Stephens, Tamporello

NAYS: None

ABSENT: None

The resolution was therefore declared approved and adopted this 23rd day of August, 2022.

Lee Dragna, Mayor

ATTEST:

Debbie Harrington, Clerk

Mr. Hymel offered the following Resolution, who moved for its adoption.

RESOLUTION NO. R: 22-37

WHEREAS, by Resolution R: 21-15 dated March 23, 2021, the City entered into a contract with Jonathan Scully, d/b/a Lake End Rentals, LLC for the use of a portion of Lake End Park from which to provide rental equipment and services, and

WHEREAS, Mr. Scully is desirous of continuing this operation in Lake End Park, and

WHEREAS, the Recreation and Parks Commission has agreed to allow the renewal of the contract for five (5) years, beginning September 1, 2022.

NOW THEREFORE BE IT RESOLVED, by the City Council, the governing authority of the City of Morgan City, that (1) it approves the proposed contract between the City and Lake End Rentals, LLC, Jonathan Scully, Owner, and (2) the Mayor, be and he is hereby authorized, empowered, and directed to execute any documents necessary in carrying out the intent and purpose of this resolution.

Mr. Domangue seconded the motion.

The vote thereon was as follows:

AYES: Hymel, Domangue, Bias, Stephens, Tamporello
NAYS: None
ABSENT: None

The resolution was therefore declared approved and adopted this 23rd day of August, 2022.

Lee Dragna
Mayor

ATTEST:

Debbie Harrington
Clerk

Mayor Dragna stated that there was termite damage to an exterior wall at City Court. Judge Stansbury had asked for an addition be made to the building to make room for the City Marshal and it had been put out for bid; whereupon,

Mr. Tamporello offered the following Resolution, who moved for its adoption.

RESOLUTION NO. R: 22 - 38

BE IT RESOLVED, by the City Council, the governing authority of the City of Morgan City, that the bid of Del-Con, LLC for furnishing all materials, equipment, etc., for the Small Office Addition to the MC City Court Building project in the amount of ONEHUNDRED EIGHTY EIGHT THOUSAND DOLLARS AND NO CENTS (\$188,000.00) being the least and most responsible bid received, be and the same is hereby accepted and awarded to Del-Con, LLC.

BE IT FURTHER RESOLVED, etc., that the Mayor, be and he is hereby authorized, empowered, and directed to execute a contract with said Del-Con, LLC for and on behalf of and in the name of said Municipal Corporation, for furnishing all materials, and equipment for the Small Office Addition to the MC City Court Building Project, Morgan City, Louisiana.

BE IT FURTHER RESOLVED, etc., that the contract shall be filed with the Clerk of Court and Ex-Officio Recorder of Mortgages for the Parish of St. Mary, State of Louisiana, for recordation in the mortgage records of said parish, hereby ratifying and confirming his act or acts in the premises.

Pastor Bias seconded the motion.

The vote thereon was as follows:

AYES: Tamporello, Bias, Domangue, Hymel, Stephens
NAYS: None
ABSENT: None

The resolution was therefore declared approved and adopted this 23rd day of August, 2022.

Lee Dragna
Mayor

ATTEST:

Debbie Harrington
Clerk

The next matter on the agenda was the Vactor sewer combo cleaner lease; whereupon,

Mr. Stephens offered the following Resolution, who moved for its adoption.

RESOLUTION NO. R: 22-39

RESOLUTION AUTHORIZING AND APPROVING EXECUTION
OF AN EQUIPMENT LEASE-PURCHASE AGREEMENT WITH
BANCORPSOUTH EQUIPMENT FINANCE, A DIVISION OF
CADENCE BANK

WHEREAS, THE City Council, the Governing Body (“Governing Body”) of City of Morgan City, Louisiana (the “Lessee”), acting for an on the behalf of the Lessee hereby finds, determines and adjudicates as follows:

1. The Lessee desires to enter into a Lease-Purchase agreement with the Exhibits attached thereto in substantially the same form as attaches hereto as “Exhibit A” (collectively, the “Agreement”) with BancorpSouth Equipment Finance, a division of Cadence Bank (the “Lessor”) for the purpose of leasing with an option to purchase the equipment as described therein for the total cost specified therein (the Equipment”).
2. It is in the best interest of the public purposes of the Lessee that the Lessee lease with an option to purchase the Equipment pursuant to and in accordance with the terms of the Agreement; and
3. It is necessary for the Lessee to approve and authorize the Agreement.

NOW, THEREFORE, BE IT RESOLVED, by the City Council, the governing authority of Morgan City, Louisiana, for and on behalf of the Lessee as follows:

Section 1. The Agreement and Exhibits attached thereto in substantially the same form as attached hereto as Exhibit “A” by and between the Lessor and the Lessee is hereby approved and Mayor Lee Dragna (the “Authorized Officer”) is hereby authorized and directed to execute said Agreement on behalf of the Lessee.

Section 2. The Agreement is being issued in calendar year 2022.

Section 3. Neither any portion of the gross proceeds of the Agreement nor the Equipment identified to the Agreement shall be used (directly or indirectly) in a trade or business carried on by any person other than a governmental unit, except for such use as a member of the general public.

Section 4. No portion of the rental payments identified in the Agreement (a) is secured, directly or indirectly, by property used or to be used in a trade or business carried on by a person other than a governmental unit, except for such use as a member of the general public, or by payments in respect of such property; or (b) is to be derived from payments (whether or not to Lessee) in respect of property or borrowed money used or to be used for a trade or business carried on by any person other than a governmental unit.

Section 5. No portion of the gross proceeds of the Agreement are used (directly or indirectly) to make or finance loans to persons other than governmental units.

Section 6. The Authorized Officer is further authorized for and on behalf of the Governing Body and the Lessee to do all things necessary in furtherance of the obligations of the Lessee pursuant to the Agreement, including execution and delivery of all other documents necessary or appropriate to carry out the transactions contemplated thereby in accordance with the terms and provisions thereof.

Section 7. The Lessee desires to designate the Agreement as a “qualified tax-exempt obligation” of the Lessee, as defined in Section 265(b)(3) of the Internal Revenue Code of 1986 (the “Code”). The aggregate face amount of all tax-exempt obligations (excluding private activity bonds other than qualified 501(c)(3) bonds) issued or to be issued by the Lessee and all subordinate entities thereof during the current calendar year is not reasonably expected to exceed \$10,000,000. The Lessee and all subordinate entities thereof will not issue or enter into in excess of \$10,000,000 of tax-exempt obligations (including the Agreement, but excluding private activity bonds other than qualified 501(c)(3) bonds) during the current calendar year, without first obtaining an opinion of nationally recognized counsel in the area of tax-exempt municipal obligations acceptable to the Lessor that the designation of the Agreement as a “qualified tax-exempt obligation” will not be adversely affected.

Mr. Domangue seconded the motion.

The vote thereon was as follows:

AYES: Stephens, Domangue, Bias, Hymel, Tamporello
NAYS: None
ABSENT: None

The resolution was therefore declared approved and adopted this 23rd day of August, 2022.

Lee Dragna
Mayor

ATTEST:

Debbie Harrington
Clerk

Mayor Dragna stated that new legislation had been passed that would allow City Court to add a fee to each case including tickets. Judge Stansbury said it would take some time for the fund to build up, but he wanted to start it as soon as possible, whereupon,

Pastor Bias offered the following Resolution, who moved for its adoption.

RESOLUTION NO. R: 22-40

WHEREAS, Louisiana law, through Revised Statute 13:1910, permits the creation of a “Judicial Building Fund” and the imposition of a service charge not to exceed ten dollars per filing to be paid to the clerk of court at the time of filing, as well as the imposition of a fine or court cost not to exceed ten dollars to be collected by the appropriate entity in addition to all other fines, costs or forfeitures lawfully imposed; and

WHEREAS, the same statute allows for the monies collected in accordance with this statute to be forwarded to the City Court and placed in an account which the Court shall have control over the funds and disbursements made, and shall be dedicated exclusively to the acquisition, leasing, construction, equipping and maintenance of the new or existing City Court; and

WHEREAS, the City Court must obtain prior approval of the local governing authority within the territorial jurisdiction of the City Court before the fund is created and the fees authorized can be imposed.

NOW THEREFORE BE IT RESOLVED, by the City Council, the governing authority of the City of Morgan City, Louisiana, that it does hereby approve the creation of the "Judicial Building Fund" and the imposition of any fines or service charges imposed in accordance with Louisiana R.S. 13:1910.

BE IT FURTHER RESOLVED, that the Court shall have control over the fund and all disbursements made from the fund, in accordance with Louisiana R.S. 13:1910.

Mr. Hymel seconded the motion.

The vote thereon was as follows:

AYES: Bias, Hymel, Domangue, Stephens, Tamporello
NAYS: None
ABSENT: None

The resolution was therefore declared approved and adopted this 23rd day of August, 2023.

Lee Dragna
Mayor

ATTEST:

Debbie Harrington
Clerk

Mayor Dragna said Kel-Ar Energy had come in and did a rate study for the City. Mr. C.J. Arnold with Kel-Ar Energy stated that it was suggested that the City do a Consumer Price Index increase as needed. Mayor Dragna said that they were introducing ordinances tonight to add that to our current Solid Waste, Electricity, Gas and Water charges.

The first reading of the Solid Waste service charges ordinance was opened. No definitive action was necessary.

The first reading of the Electric Rate service charges ordinances was opened. No definitive action was necessary.

The first reading of the Gas service schedule of rates was opened. No definitive action was necessary.

The first reading of the Gas rate increases was opened. No definitive action was necessary.

The first reading of the Water service schedule of rates was opened. No definitive action was necessary.

Mayor Dragna said that instead of adopting a pole attachment ordinance, it was decided it would be better to change each contract with companies that use the City's poles.

The public hearing on the Free Board adoption was opened. Mayor Dragna stated that he had attended a meeting about the issue and found out that it was people who lived above I-10 that make up the board and changes would not affect them. He said that if the Council voted to pass it, it would kill the housing market in the City. He said if the State did end up passing it, the City would only lose the 5% discount, so it was a crap shoot. Mr. Stephens suggested that it be carried on to the September meeting.

There being no further business, a motion to adjourn was made by Mr. Hymel, seconded by Pastor Bias and voted unanimously in favor.

Debbie Harrington
Clerk

Lee Dragna
Mayor