

FINANCE MEETING
June 25, 2013

The Finance Meeting of the City of Natchez met in the Council Chambers on Tuesday, June 25, 2013, at 4:30 p.m.

PRESENT: Mayor Larry L. "Butch" Brown
Alderwoman Joyce Arceneaux-Mathis Ward 1
Alderman Rickey Gray Ward 2
Alderman Tony Fields Ward 4
Alderman Mark Fortenbery Ward 5
Alderman Dan Dillard Ward 6

ABSENT: Alderwoman Sarah Carter Smith Ward 3

ALSO PRESENT: City Clerk Donnie Holloway
City Attorney Hyde Carby
Temple Hendricks, Board Secretary
Frankie Legaux, City Planner
David Gardner, City Engineer
James Johnston, Community Development

David Gardner announced that funding was now available for EWP sites located at 1246 Daisy, 381 John R. Junkin, Laird Street, 1707 Merrill, Old Metcalfe Alley, 502 West Stiers and 231 Oakland Drive. Tonight he would be asking the board approval for the Mayor and City Attorney be authorized to execute the following documents:

- Application for emergency work
- Reimbursable agreement (federal contract)
- Assurance related to real property acquisition (once easements have been completed by City Attorney)
- Title of Opinion (once easements have been completed by City Attorney)
- Operation and Maintenance Agreement
- Utility letter certifying that the utilizes will be relocated prior to construction

The total funding is \$273,500.00 with a City match of \$68,375.00. Engineering is currently working with the City Attorney of get the right of ways. NRCS will be handling the advertising. Mr. Gardner advised Mayor Brown that the check cashing location on John R. Junkin is on the current list. Mr. Gardner stated that Park Place and Melrose-Montebello have been approved as FAUs but he has not heard back on Brenham—he does not think that Brenham will be a problem. The North Natchez 592 II B project is closing out and II C is ready to advertise. They've just received a cost estimate on II C; it has been sent to the Corp and he anticipates receiving approval by the last meeting in July at which time he'll be asking for approval to advertise.

Alderwoman Arceneaux-Mathis stated that the hole on Oak Street is huge. Mr. Gardner advised that the hole is at Atmos issue which Atmos is arguing about. Mr. Gardner said he's not sure that City could work on as on private property.

Mr. Carby advised that the Volkert CE & I contract looks good.

Mr. Gardner reported that Engineering has been working with Roy Tipton on the colonnade project. Mr. Gardner still thinks the project will have to go through the full blown process with environmental, etc. Mayor Brown advised that this needs to be avoided as the project will take two years to get started. Mr. Gardner said that the environmental will not be as much trouble as the actual construction.

Mayor Brown introduced Duncan McFarlane, President of the Library Board of Trustees, who appeared to discuss the emergency repairs needed for the library's air conditioning system. Mayor Brown advised that the library's a/c had received repairs in the past and the refurbished compressors have gone out. City employees reported that the compressors are beyond repair and the chiller is in poor condition. Mayor Brown called the manufacturing representative, Billy Boykin of Trane.

Mr. Boykin's assessment was that City employees have moved one unit and killed it. Mr. Boykin was able to put the unit back together and restart the unit. One unit is up and running at 50%. The library

half the tonnage in half the building running. Mr. Boykin advised that labor and materials to replace the compressors in the 70 ton air cooled chiller will cost \$14,981.00, for refurbished compressors, which he feels will see the Library through the crisis and will last a couple of years. The price excludes any problems that might arise after start up. Mr. Boykin said that the units have not had proper maintenance. Mayor Brown said that the York people were maintaining the units, not Trane.

The other alternative is Metro Building Services who offered several options. *Per an e-mail submitted by Greg McNeeley :*

I have prepared estimates to repair or replace the chiller serving the library for your review and consideration. The chiller has aged and consideration should be given to replacement due to the cost of the repair. The chiller has been installed in an enclosure which we feel has diminished the equipment's life cycle and efficiency. We are unsure how much effect the enclosure has had on the existing equipment. The manufactures' literature for new equipment describes minimum clearance from obstructions for equipment operation and service. The enclosure will not allow us to have minimum clearances. We cannot say how much effect this will have on the new equipment but we wanted you to be aware of this issue.

Options:

- 1. To replace two compressors on the existing unit the price will be \$28,596.00 plus taxes. We can get two compressors and they could be received in approximately 1 to 2 weeks after ordering. The compressors could be installed approximately 1 week after receiving the compressors. This installation would receive a (90) day labor warranty and 1 year compressor parts warranty.*
- 2. To replace the chiller with another Trane Chiller the cost would be \$57,570.00. It would take approximately 8 weeks to receive the chiller after order is released and about a week to get it installed. Provided with 1 year compressor parts warranty, 1 year refrigerant warranty, 1 year labor warranty.*
- 3. To replace the chiller with a York Chiller the cost would be \$51,396.00. It would take 7-8 weeks to receive after the order is released and approximately 1 week to install. 1 year parts and labor warranty included. NOTE: I must confirm that the existing electrical wiring, disconnect and breakers are large enough for this option. This should be confirmed tomorrow.*
- 4. To replace the chiller with a Carrier Chiller (in stock) the cost would be \$71,070.00. Carrier has two in stock as of 6-18-2013. Approximately 1 to 2 weeks to get and 1 week to install. One year parts and labor warranty included. Note; I must confirm the existing electrical wiring, disconnect and breakers are large enough for this option.*

There is another issue that must be dealt with to replace the chiller. That is the power wiring and phone wiring that is run above the unit. We cannot access the unit with our crane with the wires hanging above. You will need to contact the utility companies and ask them what cost is to remove this and reinstall once we have completed our work. We can help coordinate with them however they will want to deal with the building owners.

As you know the chiller is aged and I recommend a new unit at this time. There are other components in the chiller which could fail and cost additional investment to maintain the operation of the chiller. There is risk associated with repair. A new unit will be more efficient which means it will save energy and reduce electrical cost to operate. Also you have warranty to protect your investment.

Please review and consider these options. When we determine which option you prefer I will provide you with a proposal on letterhead. I will also confirm the electrical requirements and let you know if option 3 and 4 will work tomorrow. Let me know if you have any questions. We appreciate this opportunity to be of service. Greg McNeely

Mayor Brown asked that an emergency purchase for \$14,981.00 be made with Billy Boykin. Upon a question by Alderman Fortenbery on how this will be paid for, Mayor Brown advised that the City should soon be receiving run checks and Mr. Carby will provide an update on the status of the Margaret Martin property to Mike Worley. Mr. Carby advised that is time is of the essence on a repair, you can proceed without a bidding out.

Mr. McFarlane clarified that last summer grant funds were used to replace inside controls to program thermostats and replace overhead ductwork. Alderman Dillard advised that the library has a variable air

control with mixing terminals-the controls are pneumatic. The controls failed and you could not longer mix air and control where it went.

Mayor Brown said that the preventative care of the chiller will be done at the same time as the installation of the compressors. Alderman Dillard said this should be done in two to three weeks.

Mr. Carby stated that the Division Order is imminent and Mayor Brown said that the check should be close to \$200,000.00.

Mr. Carby asked Mr. McFarlane to be at the Regular Meeting as it needs to be determined that the Library building is useless without air conditioning.

James Johnston **came before the board to state that the Memorandum of Understanding (MOU)** for the Depot renovation has been received **from MDOT**. The MOU established the grant conditions whereby \$500,000.00 in federal funds, **coupled with \$125,000.00 in matching funds, can be utilized for this restoration project**. He will be **requesting a motion to allow** the Mayor to execute the MOU subject to review by counsel.

Mr. Johnston prepared **for the board** a summary of the tour and photos of **some of the homes constructed by Chartre Company in Gulfport and Ocean Springs**.

Alderman Fortenbery advised that Alderwoman Carter Smith, who was absent, asked that the suggested names for the open position for the Water Works Board be brought up in the Regular Meeting.

Frankie Legaux stated that a public hearing will be held in the Regular Session for two cases. The first case is to consider a request to rezone three contiguous lots in the vicinity of 91 Kelly Avenue between Gayosa and an unnamed and unopened City ROW being lots 6, 7 & 8, Block 13, Concord Subdivision from I-1 Industrial to R-3 Mixed Density Residential. The case was originally heard by the Planning Commission but they didn't bring the case forward as there wasn't a City Planning Director. Mrs. Legaux had previously provided documents from MDEQ regarding testing that was done in 2010 and the lots are outside the plume area. Mrs. Legaux had contacted the applicant to see if she would be interested in doing additional testing of the site and she was not due to the cost. Mrs. Prather, the applicant, through Nancy Durkin asked to be placed on the agenda again.

Mayor Brown said that the lots were residential prior to Titan buying to making into a parking lot and was only later zoned Industrial.

The second case will be a new application submitted by Justin Adcock to request a revision of future land use and rezoning map to rezone a vacant lot at the end of Hunter's Lane from I-1 to R-4. Mr. Adcock intends to build a retirement community with ten duplex units that would each have two bedrooms, two baths. The Planning Commission voted to approve the rezoning. Alderman Dillard asked, at the proposed development abuts R-1, had the neighbors been notified. Mrs. Legaux advised that they had been. Mayor Brown advised that Mr. Adcock is a quality building. These properties will be rented at the market rate.

Alderman Fields stated that the Concord Park sign has been completed and will be unveiled at the Minorville Jubilee celebration.

Alderwoman Arceneaux-Mathis asked if the sign in front of Oak Towers for the company that decided not to develop the property, can be removed. She will also contact Code Enforcement Officer Anita Smith about having Pamela Gleichman, owner of Oak Towers, about mowing the grass.

Mr. Carby asked for a motion to close the Finance meeting to make a determination that a valid reason existed to go into Executive Session. Mr. Carby advised that the lease and sale of public properties as well as the economic development related from their sale or lease needed to be discussed.

A motion was made by Alderwoman Arceneaux-Mathis, with a second by Alderman Fields, to close the Finance meeting to make a determination that a valid reason existed to go into Executive Session. The motion carried unanimously.

Mr. Carby returned and advised that it had been determined that a valid reason existed to go into Executive Session which was the discussion of the sale and lease of public properties and economic development related to these properties.

After meeting in Executive Session, Alderman Dillard made the motion to go out of Executive Session and adjourn to the Regular Meeting of the Board of Aldermen. Alderman Gray seconded the motion which carried unanimously.

Larry L. "Butch" Brown
Mayor

Attest:

Donnie Holloway, City Clerk