

OFFICIAL PROCEEDINGS
CITY OF MORGAN CITY
FEBRUARY 2, 2021

The Mayor and City Council of Morgan City, Louisiana, met at 6:00 pm (local time) in regular session, this date, in the Morgan City Municipal Auditorium Theater, 725 Myrtle Street, 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 Pastor Ron Bias.

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

Mayor Dragna stated that he had sent out a letter to the Parish stating that he wished to enact the 90-day termination of the Mutual Aid Agreement. A copy of the letter was emailed to all fire departments. He stated that the intention of the letter was not to deny help to area departments, but to redo the agreement and complete an individual agreement with each department. Parish President David Hanagriff stated that the letter plainly stated that the City was opting out of the Mutual Aid Agreement with the rest of the Parish. This letter startled everyone, including the City Council members. It was sent to "Bo" LaGrange but the Parish Council had no authority over the departments. The Parish had a Fire Association and they were the ones who put together the Mutual Aid Agreements. His concern was the problem with the current Mutual Aid Agreement. He was strongly in opposition of the termination of the agreement and felt it was not handled correctly. Jean Paul Bourg stated that his house burned down when he was young, and mutual aid was called. He was strongly against terminating the agreement. Councilman Stephens, a retired firefighter, stated that he knew nothing about the letter. He got a phone call from a constituent and started to look into it. He felt it was handled the wrong way. Mayor Dragna stated that he was sorry and he handled the situation the wrong way. He would send a letter out rescinding the previous letter.

Mr. Mac Wade, Director of the Port of Morgan City, gave a brief update on the Port. He stated that this year was the fifth straight year with high water levels in the Atchafalaya River and the water level was still up. He gave the council a copy of the latest survey (copy on file). He told the council that Senator Clay Higgins had secured the St. Mary Harbor & Terminal District \$19 million in funding, which was greatly appreciated. The depth of the channel was now 20' and the dredge was pumping 60,000 gallons per minute. He stated he would be back with an update in about six months.

Beth Price with Main Street addressed the Council regarding the Operation Beautification project. She stated that the event would take place on February 13, 2021 from 8:00 AM until noon. They would meet at the Auditorium parking lot and disperse from there. T-shirts would be provided and a fried fish lunch would be served after the cleanup. She urged the public to come out and help. She also spoke about the Spring Market that was scheduled for March 27, 2021 from 10:00 AM to 3:00 PM under the Highway 90 bridge. All Covid19 precautions would be followed for the event.

Sara Dake, aide to United States Senator John Kennedy, introduced herself to the Mayor and Council. She stated that she was available to them for any issues. She would leave her contact information for each of them.

Pastor Ron Bias stated that in honor of Black History Month, he wanted to recognize some individuals from Morgan City. He stated that Mayor Thomas was appointed by the Governor to serve as the first African American Mayor of Morgan City during reconstruction. Mr. William Bradford was elected and served as the first African American City Councilman, Michael Banks was the first African American Police Chief, Betty Augman is the first female African American to reach the rank of Captain, Glenda Halsey became the first African American Lieutenant, and Richard Anderson served as the first African American fire chief.

The minutes of the December 15, 2020 and January 11, 2021 meetings were submitted. There being no corrections, additions, or deletions, a motion to approve the minutes was made by Pastor Bias, seconded by Mr. Domangue, and voted unanimously in favor.

Mrs. Deborah Garber, Finance Director, submitted the following financial statement for the period ending December 31, 2020.

MONTHLY FINANCIAL STATEMENTS

DATE: February 2, 2021
TO: Mayor and Council
FROM: Deborah Garber
RE: Comments related to summary of revenues and expenses compared to budget for the period ended December 31, 2020.

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 December 31, 2020. The following comments are related thereto:

General and Ancillary Funds: Revenues ended the year under budget 3,167. Operating expenses are also below budget by \$245,432. The net income, after transfers, of \$168,727 is a favorable variance of \$236,789 for the year as compared to the amended budget.

Utility Fund: Actual revenues still came in under budget by \$342,1022 compared to the amended budget, with operational expenses also under budget by \$213,002. The net loss, after transfers, of \$7,035 creates an unfavorable at year-end of \$85,788.

Sanitation and Sewer Fund: The operating revenues are \$9,579 over budget, with total operating expenses under budget by \$25,091. The net income, after transfers, of \$176,524 leaves a favorable variance for the year of \$40,167.

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

**CITY OF MORGAN CITY
CONSOLIDATED STATEMENT**

Actual Revenues and Expenses Compared to Budget
Period Ended December 31, 2020

	2020 ORIGINAL BUDGET	DECEMBER 2020 ACTUAL	2020 AMENDED BUDGET	VARIANCE
GENERAL AND ANCILLARY FUNDS				
REVENUES				
General Fund	6,545,244	6,837,077	6,848,122	(11,045)
Recreation Fund	124,050	50,443	64,610	(14,167)
Library Fund	14,510	28,080	26,664	1,416
Auditorium Fund	354,322	303,533	309,164	(5,631)
Lake End Park Fund	680,260	674,295	648,035	26,260
Total Revenues	7,718,386	7,893,428	7,896,595	(3,167)
EXPENSES-OPERATIONAL				
General Fund	10,280,265	9,917,251	10,050,348	(133,097)
Recreation Fund	519,976	333,231	378,638	(45,407)
Library Fund	121,523	84,664	103,828	(19,164)
Auditorium Fund	483,713	424,714	441,514	(16,800)
Lake End Park Fund	829,995	768,865	799,829	(30,964)
Total Expenses	12,235,472	11,528,725	11,774,157	(245,432)
TRANSFERS				
Transfers from Funds	4,582,500	4,592,500	4,592,500	0
Transfers to Funds	(592,100)	(788,476)	(783,000)	(5,476)
Net Transfers	3,990,400	3,804,024	3,809,500	(5,476)
EXCESS NET OF TRANSFERS	(526,686)	168,727	(68,062)	236,789

UTILITY FUND

Total				
Revenues	22,361,683	19,334,115	19,676,217	(342,102)
Total Expenditures	18,434,563	15,827,993	16,040,995	(213,002)
Net				
Excess	3,927,120	3,506,122	3,635,222	(129,100)
Net Transfers and non-oper.	(3,572,498)	(3,513,157)	(3,556,469)	43,312
Excess net of transfers	354,622	(7,035)	78,753	(85,788)

SANITATION AND SEWER FUND

Total				
Revenues	2,912,000	3,013,379	3,003,800	9,579
Total				
Expenses	3,158,217	3,217,563	3,242,654	(25,091)
Net				
Excess	(246,217)	(204,184)	(238,854)	34,670
Net Transfers/non-operating expenses	422,741	508,838	503,341	5,497
Excess net of transfers and non-operating	176,524	304,654	264,487	40,167

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

Mayor Dragna stated that the Public Works Director had approached him about the City possibly getting back into the garbage business with leased vehicles. We would do no repairs and lease vehicles for 24 months. They took into account payroll, fuel and tipping fees. If the numbers were correct there would be a profit of over \$489,000. Leasing a street sweeper would benefit the city as far as cleanliness and would cost around \$100,000 per year and the extra \$300,000 could be put toward recreation or other funds. He stated that if the council wanted to look at the numbers and bring the matter up at a later date, to let him know. He was working on the numbers with the Finance Director and the Public Works Director and if it would be beneficial to the City, it may be pursued. Mr. Loupe stated that there would never be a perfect sanitation pickup, but keeping garbage in house may be better for the citizens. Councilman Stephens said he was very concerned with the situation. It was not cost effective in the past, so why would the City get back into it. Tim Hymel stated that if we could provide a more efficient service and make a profit, he would be all for that. Mr. Stephens said he called many similar sized cities in the state and asked them about their garbage service. The general thought was if there was money to be made, all cities would be in the business themselves because everyone is looking for funding.

The next matter on the agenda was the preliminary approval for the \$2,000,000 Revenue Anticipation Notes. Mayor Dragna said this was for the line of credit that had been done in past years; whereupon,

The following resolution was offered by Mr. Tamporello and seconded by Mr. Hymel:

RESOLUTION R:21-05

A resolution giving preliminary approval to the issuance of not to exceed Two Million Dollars (\$2,000,000) of Revenue Anticipation Notes of the City of Morgan City, State of Louisiana; providing certain terms of said Notes; making application to the State Bond Commission for approval of said Notes; and providing for other matters in connection therewith.

WHEREAS, Section 527 and the other applicable provisions of Part II of Chapter 4 of Subtitle II of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional authority (the "Act"), authorize governmental entities to pay their current expenses for any fiscal year by issuing revenue anticipation notes for the purpose of anticipating revenues for such fiscal year; and

WHEREAS, in accordance with the Act, the City of Morgan City, State of Louisiana (the "Issuer"), desires to incur debt and issue not exceeding Two Million Dollars (\$2,000,000) of its Revenue Anticipation Notes (the "Notes"), for the purpose of paying current expenses of the City in anticipation of all revenues of the City, said Notes to mature not later than March 31, 2022, and to bear interest at a rate not to exceed 6% per annum; and

WHEREAS, the Issuer has determined that the aforesaid borrowing authorization does not exceed the estimated revenues of the Issuer for the fiscal year ending December 31, 2021; and

WHEREAS, the Issuer desires to make formal application to the State Bond Commission for approval of the Notes described above;

NOW, THEREFORE, BE IT RESOLVED by the Morgan City Council (the "Governing Authority"), acting as the governing authority of the City of Morgan City, State of Louisiana, that:

SECTION 1. **Preliminary Approval of Notes.** The Issuer is hereby authorized to incur debt and issue not to exceed \$2,000,000 of its Revenue Anticipation Notes, at a rate or rates not exceeding 6% per annum, to mature not later than March 31, 2022, for the purpose of paying the costs of current expenses of the Issuer for the fiscal year ending December 31, 2021, said Notes to be secured by and payable from the revenues for such fiscal year.

SECTION 2. **State Bond Commission.** Application is hereby made to the State Bond Commission, Baton Rouge, Louisiana, for approval of the issuance and sale of the Refunding Bonds and for consent and authority to proceed with the issuance and sale of the Refunding Bonds as provided above, and Bond Counsel is directed to make application to the State Bond Commission in accordance with the foregoing on behalf of the Governing Authority.

By virtue of Issuer's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approval(s) resolved and set forth herein, it resolves that it understands and agrees that such approval(s) are expressly conditioned upon, and it further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products Hedges, Etc.", adopted by the Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

SECTION 3. **Employment.** This Governing Authority finds and determines that a real necessity exists for the employment of special counsel in connection with the issuance of the Bonds, and accordingly, Foley & Judell, L.L.P., of New Orleans, Louisiana, as Bond Counsel, is hereby employed to do and perform work of a traditional legal nature as bond counsel with respect to the issuance and sale of said Bonds. Said Bond Counsel shall prepare and submit to this Governing Authority for adoption all of the proceedings incidental to the authorization, issuance, sale and delivery of such Bonds, shall counsel and advise this Governing Authority as to the issuance and sale thereof and shall furnish its opinions covering the legality of the issuance of the Bonds. The fee of Bond Counsel for each series of bonds shall be fixed at a sum not exceeding the fee allowed by the Attorney General's fee guidelines for such bond counsel work in connection with the issuance of revenue bonds and based on the amount of said Bonds actually issued, sold, delivered and paid for, plus "out-of-pocket" expenses, said fees to be contingent upon the issuance, sale and delivery of said Bonds. The Mayor is hereby authorized and directed to execute, and this Governing Authority hereby agrees to and accepts the terms of, the engagement letter of Bond Counsel appended hereto. A certified copy of this resolution shall be submitted to the Attorney General of the State of Louisiana for his written approval of said employment and of the fees herein designated, and the Clerk is hereby empowered and directed to provide for payment of the work herein specified upon completion thereof and under the conditions herein enumerated without further approval of this Governing Authority.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS: Tamporello, Hymel, Bias, Domangue, Stephens

NAYS: None

ABSENT: None

And the resolution was declared adopted on this, the 2nd day of February, 2021.

Clerk of the Council

Mayor

Mayor Dragna stated that the Systems Survey & Compliance Questionnaire needed to be submitted to the Auditors; whereupon,

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

RESOLUTION NO. R: 21-06

WHEREAS, as required by the Legislative Auditor of the State of Louisiana, a Systems Survey and Compliance Questionnaire is to be completed and submitted to the firm of Kolder, Champagne, Slaven, & Company for the City of Morgan City and

WHEREAS, along with the audit report, the results of this questionnaire must be submitted to the Legislative Auditor.

NOW THEREFORE BE IT RESOLVED, by the City Council, the governing authority of the City of Morgan City, Louisiana, that it hereby approves and adopts the Systems Survey and Compliance Questionnaire as completed and submitted by the Finance Director.

Mr. Domangue seconded the motion.

The vote thereon was as follows:

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

The Resolution was therefore declared approved and adopted this 2nd day of February, 2021.

Lee Dragna
Mayor

ATTEST:

Debbie Harrington
Clerk

Mayor Dragna offered the name of Natalie Weber for reappointment to the Library Board and Adam Mayon for reappointment to the Morgan City Harbor & Terminal District. A motion to concur in the appointment was made by Mr. Hymel, seconded by Mr. Tamporello and voted unanimously in favor.

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

Debbie Harrington
Clerk

Lee Dragna
Mayor