

Regular Council Meeting
July 2, 2018
6:00 P.M.

Present: Maxine Ivey, Wayne Godwin, Shon Owens, David Bush, Jane Hayes, Gretchen McPherson, Eric Seib, Crystal Weatherington, Phil Phillips, Cory Snyder, Rennie Jenkins, Joe Jones, Kathy Jones

Meeting called to order: Maxine Ivey

Welcome visitors: Maxine Ivey

Invocation: Rennie Jenkins

Pledge: David Bush

Motion made by David Bush to accept the minutes. Seconded by Wayne Godwin. 5 years. 0 nays. Motion carried.

Eric Seib gave maintenance report. The maintenance department completed 40 work orders over the last two weeks. Twelve calls responded to the flushing of dirty water, eight calls were to re-check water or gas meters readings, five calls were to conduct a final read for closeout or new service, three calls each were for possible gas leaks and known water leaks. There was a major water leak on Hutto Lane on June 20th that required immediate repair with assistance from the Town of Century. The water treatment plant supply line also had some water leaks that needed to be repaired. 400 water meters are automatically read on the new program. Major projects planned are the move of Mrs. Lee's water meter, the move of Breitburn and Genesis water meters, and the carbon filter media replacement. The Mayor discussed the cost analysis of buying a boring attachment for our current Ditch Witch machine versus expanding the work of a contractor. The Town needs to see the updated invoice from the contractor before making an informed decision. The Town of Jay will advertise the CDBG grant on July 12, the CATF meets on 7/16 at 5pm, and then addresses the Town Council at 6pm.

Donna Bullock gave the budget report. April, May and June's revenues and expenses were reviewed. The Town will use these calculations to assist in the creation of the 2018-2019 budget. Mayor Owens mentioned that May is a good example of a typical month. The June expenses did not include the final payroll for the last two weeks of the month.

Mr. Josh Durst presented the draft Audit for the Town of Jay. He stated that the report shows a change in the Town's cash position. The operating financials remained similar, just a change in the cash position. On page 1 there were no proposed adjustments that the Town does not disagree with. Page 8, if the same cash move happens again across three more FYs, the town will be short cash. The Town needs to be careful of our cash outlay

without a cash inflow shown against it. Since the town is already six months into this FY, it is not known if the same cash outflows are present. The Town should look for money to support their cash outflows from grants, funds, and legislators. Today is the deadline for reporting. The Town of Jay met those deadlines. The last four pages of the report is the summary which was highlighted. An "Internal Control" variance was reported to the Inspector General as part of this report. Billing and Meter Reading was a concern. There is a large difference between the readings and adjustments to billings. It does seem that the Town has addressed the majority of the billing and meter variances. Improve the timing of financial information to the Council. What is today's cash position vice the nine months past cash position. What is the Town of Jay's Capitalization Policy? How long are we planning on keeping our high-priced pieces of equipment and are we depreciating the value of those each year? There is a lag of financial information that caused the checks to not agree with the invoices. No invoice approval for cash disbursements. Overtime needs to be closely monitored. Will be covered in the Employee Policies and Procedures. What is the on-call policy? There was an increase in bills >120 days past due, the Town needs to manage those accounts. The Town was healthy on September 30, 2017, but what about September 30, 2018? As the age of commercial buildings rise, the tax millage basis decreases, reducing income. The Town of Jay needs to find a way to capitalize on new buildings within the city limits. What national exposure can you find with a recruiter? How do you grow business and then can look at increase hook up and one time fees.

The Town's contracted engineer discussed the completion of water distribution work on Highway 4 in association with FDOT's repaving. She will look at the best position for the new 6" pipe to be placed that is not under the lane of travel as required by the stat, away from the sewer lines, and within the rights of way that border the Town's businesses. The Town of Jay needs to build a full utility schedule of what work we want completed during this project. Dewberry needs to conduct some electrical engineering drawings and more specific building drawings in order to prepare bids for the Well #1 project.

The Fourth of July is in the final planning stages. We expect scattered thunderstorms. The Mayor mentioned that the Terrace would like to reserve an area for them to drive their vans into the park and watch the fireworks. Eric to coordinate.

Engineering RFQ Rankings. The Mayor and Council were given blank cards to rank their priorities for engineering support for the town. The vote was 5-0 that negotiations will start with Dewberry Engineering and if those negotiations break down, we will start discussion with Municipal Engineering.

Public Comments. Mr. Rennie Jenkins spoke to the council about his frustration with the dirty water that he has been experiencing. He has toilet stains and washed multiple loads of wash that start with clean water and end up being stained by the end of the wash cycle. He stated that the Town of Jay could ask for advance payment of water bills or sell Municipal Bonds to raise the money needed for the project. Councilman Bush mentioned that he placed a filter at the outlet of his water meter and it has greatly helped him. Mr. Jenkins mentioned that the Town could send out some survey forms or place a call out

phone notification for resident feedback. The Council mentioned that we do have a callout system and we would verify that his number is included in that process. Mr. Joe Jones asked if the Town could extend the town limits. The Mayor explained the cost associated with the process and how that cost would have to be recouped through the number of residents added. Since there are not a lot of houses concentrated just outside the limits, it is not financially feasible at this time.

Breitburn Oil Lease. Mayor Owens made a motion to have our attorney review and write letters on behalf of the Town of Jay to Breitburn in reference to a letter dated November 2016 greatly reducing their royalties to the town due to past maintenance costs not accounted for. Councilman Godwin Seconded and the council approved with a vote of 5-0. Mayor Owens discussed that he will schedule meetings with Senator Broxson and Representative Williamson to help bring attention to the shortfall. The Mayor read the November 2016 Breitburn letter for the record.

Mayor Owens made motion to adjourn meeting. Seconded by Wayne Godwin. 5 yeas. 0 nays. Meeting adjourned.

Mayor Shon Owens

Town Clerk, Donna Bullock