

MINUTES OF A REGULAR MEETING OF THE MAYOR AND COUNCILMAN OF THE CITY OF GONZALES, STATE OF LOUISIANA TAKEN ON MONDAY APRIL 13, 2020, 5:30 P.M. AT CITY HALL 120 S. IRMA BLVD, MEETING HELD BY TELECONFERENCE THRU GOOGLE MEET.

MEMBERS PRESENT:

Mayor Barney Arceneaux
Councilman Neal Bourque
Councilman David Guitreau

Councilman Kirk Boudreaux
Councilman Harold Stewart
Councilman Tyler Turner

MEMBERS ABSENT: NONE

ALSO PRESENT:

Scot Byrd, City Clerk
Lisa Babin, Administrative Secretary
Brandon Boylan, Finance Director

Matt Percy, City Attorney
Sherman Jackson, Chief of Police

Motion by Councilman Kirk Boudreaux, seconded by Councilman Tyler Turner to approve the Minutes of the Regular City Council Meeting, taken March 16, 2020.

YEAS: Councilman Neal Bourque, Councilman David Guitreau, Councilman Kirk Boudreaux,
Councilman Harold Stewart, Councilman Tyler Turner

NAYS: NONE

ABSENT: NONE

Motion by Councilman Kirk Boudreaux, seconded by Councilman Harold Stewart to approve the request of Tess Bazile, Representative of Anything Outdoors, for approval of a Special Event Permit to hold a "Bayou Bash" at the Gonzales Civic Center on July 11, 2020 from 8am-11:00am. This fundraising event will consist of a Jambalaya Tour 2020 cook-off, benefiting St. Jude.

YEAS: Councilman Neal Bourque, Councilman David Guitreau, Councilman Kirk Boudreaux,
Councilman Harold Stewart, Councilman Tyler Turner

NAYS: NONE

ABSENT: NONE

Motion by Councilman David Guitreau, seconded by Councilman Kirk Boudreaux to approve the request of Tess Bazile, Representative of Anything Outdoors-Helping Kids, for approval of a Special Event Permit to hold a "Fall Fest" at the Gonzales Civic Center on September 12, 2020 from 8am-11:00am. This event will consist of a Jambalaya Tour 2020 cook-off.

YEAS: Councilman Neal Bourque, Councilman David Guitreau, Councilman Kirk Boudreaux,
Councilman Harold Stewart, Councilman Tyler Turner

NAYS: NONE

ABSENT: NONE

Motion by Councilman Kirk Boudreaux, seconded by Councilman Tyler Turner to adopt Resolution No. 2893: A Resolution of the City of Gonzales Mayor and Councilman in opposition of all proposed legislation that enables the Legislature to remove the authority of local Governments to administer and collect local Sales & Use Taxes.

YEAS: Councilman Neal Bourque, Councilman David Guitreau, Councilman Kirk Boudreaux,
Councilman Harold Stewart, Councilman Tyler Turner

NAYS: NONE

ABSENT: NONE

Motion by Councilman Kirk Boudreaux, seconded by Councilman Harold Stewart to introduce Ordinance No. 4103: An Ordinance Amending the Boundaries of the “Northeast Gonzales Economic Development District”.

Final vote and public hearing on the foregoing amendment to be taken at the next regular City Council Meeting to be held on Monday, April 27, 2020 at 5:30 p.m.

Motion by Councilman Kirk Boudreaux, seconded by Councilman Harold Stewart to introduce Ordinance No. 4104: An Ordinance to Adopt a Second Supplemental Bond Ordinance authorizing the issuance of not exceeding \$2,400,000 of Taxable Sales Tax Bonds, Series 2020, of the City of Gonzales, State of Louisiana.

Final vote and public hearing on the foregoing amendment to be taken at the next regular City Council Meeting to be held on Monday, April 27, 2020 at 5:30 p.m.

Motion by Councilman David Guitreau, seconded by Councilman Tyler Turner to introduce Ordinance No.4105:

AN ORDINANCE ADOPTING THE FISCAL YEAR 2020-2021 BUDGET ADDRESS

BE IT ORDAINED BY Mayor and Councilmen of the City of Gonzales, Louisiana:
That the Fiscal Year 2020-2021 Budget Address is hereby adopted as follows:

**CITY OF GONZALES
BUDGET ADDRESS
2020-2021**

These budgets reflect a projection of the requirements necessary to ensure that the City of Gonzales continues to provide the level of services it currently provides. There are some assumptions that must be set forth that are relative to the overall operation of the city. Those assumptions are detailed below.

SALES TAX BUDGET

Sales taxes account for nearly 70% of the revenues in the General Fund and a substantial portion of the revenues in the Capital Outlay Fund. The administration watches sales tax revenue as an important indicator of the city’s ability to provide services in the future. The administration projects that the city will collect \$14,500,000 in sales taxes in the 2020-2021 fiscal year compared to \$14,800,000 in the previous year. This represents a 2.03% decrease in sales tax revenue.

We base this decrease on recent reports in the news regarding the impact on the global economy due to the coronavirus. Particularly hard hit has been the oil and chemical industry, an important part of the economy for the State of Louisiana and locally here in Ascension Parish.

Fiscal Year	Sales Tax Collections	% Increase from Prior Year
FY 2020	\$ 14,500,000	(2.03%)
FY 2019	\$ 14,800,000	1.37%
FY 2018	\$ 14,600,000	(3.39%)
FY 2017	\$ 14,906,000	5.12%
FY 2016	\$ 14,180,000	0.80%
FY 2015	\$ 14,065,000	2.23%

Figure 1.

This city has continued to have a healthy retail sector and good success in the last year in new business creation, which the administration believes will allow the City to expect only a modest decrease. Additionally, there continues to be a challenging brick and mortar retail environment due to continued growth in online shopping and increased options for shopping and dining in other portions of the parish.

Based on current trends in the economy, the administration has decided to take a conservative approach and set the projected sales tax revenues for the upcoming fiscal year at \$14,500,000.

OTHER REVENUES

Other significant sources of revenues in the General Fund include:

Revenue	FY 2020-2021 Budget
Property Taxes	\$ 1,328,000.00
License & Permit Fees	\$ 1,486,000.00
Franchise Fees	\$ 1,010,000.00

Figure 2.

PERSONNEL AND HUMAN RESOURCES

Retirement

The Municipal Employees Retirement System (MERS) employer portion of the retirement premium will increase by 1.75% percentage points to 29.50%, representing a \$208,202 increase. The employer portion of the Municipal Police Employees Retirement System (MPERS) will increase by 1.5% to 33.75%, or \$71,000.

The continual increase for pension related costs burdens the City's ability to expand the number of personnel and provide services. Since 2015, the City's salary expense has grown \$1.2M, from \$7.7M to \$8.9M. Insurance and pension costs have risen much more. Pension costs in 2015 were \$1.7M (19.75% of payroll) and have grown to \$2.7M today (29.5% of payroll).

Personnel Requests

The administration is requesting one additional technician position for the Wastewater Department to assist with the additional labor requirements in operating and maintaining the expansion of the wastewater plant and the increased number of lift stations operating throughout the City.

The administration is not requesting a cost of living increase at this time. If the economic outlook improves, we will consider an increase later in the year when there is more clarity about the economy.

Health Insurance

The city's health insurance budget is expected to decrease slightly from \$1,649,200 to \$1,562,452 in the upcoming year, or \$86,748, which represents a 5.26% decrease over last year.

Monthly budgeted health insurance premiums are listed below:

Health Insurance Table	
Coverage	Monthly Rate
Family	1,891.00
Employee - Spouse	1,327.02
Employee - Child	1,227.55
Single	663.51

UTILITY FUND BUDGET

Natural Gas

We are projecting that the city will spend approximately \$697,200 purchasing natural gas on a budget of \$700,000. We expect our purchases in 2021 to be approximately the same. The city's gas sales are projected to be approximately \$1,588,469 on a budget of \$1,590,000. Although we have more customers, the price of gas has gone down modestly, so we project expense and revenue to be about the same.

The city's cost of operating the Gas Department is projected to be approximately \$600,000, bringing the total projected cost of the gas system to \$1,288,400. The natural gas rate charged by the city is a function of the price paid by the city for gas and the cost of operating the city's gas department broken down by MCF. The city sold 157,429 MCF of natural gas in 2019. The amount charged to customers for direct city gas costs will have a modest increase of 29 cents to \$8.28 per MCF in the coming Fiscal Year.

Utility Rates

Water and sewer rates will increase 3% to keep up with inflation and the increased costs of operating the system.

DEQ STATE REVOLVING LOAN

The city currently has one outstanding \$15,000,000 line of credit with the DEQ State Revolving Loan Fund for Wastewater Improvements. The current loan balance is \$11,396,852. In the coming Fiscal year, the city expects to begin repaying this loan for wastewater facilities enhancements completed in March, 2020.

In accordance with bond covenants, the city has established a "Series 2014 Bond Reserve Fund" and a "Utility Fund Investment Account", both serving the purpose of securing future loan payments in case of impending default. Current balances in these accounts total \$985,790.

CAPITAL OUTLAY BUDGET

The city is proposing a Capital Outlay Budget of \$15,768,165.

The proposed Capital Outlay Budget is highlighted by \$9,500,000 in proposed construction of a new performing arts, conference and events center. \$8,500,000 of this work will be financed by a loan through USDA Rural Development and \$1,500,000 will be financed by a donation from the Price LeBlanc family members to honor his memory.

The city is also proposing to relocate and refurbish the Roddy Road main water line. This is a 50 year old line and the refurbishment project is an important commitment by the city to providing clean, reliable water service. The project will be financed by a loan from Louisiana Department of Health for \$1,200,000.

The city is planning to create a road to create east west connectivity between Burnside and Darla Street to help provide additional access to the hospital and provide some relief to traffic congestion along Highway 30. To accomplish this, we have appropriated funds for the roadway's design. Additionally, the city plans to purchase right of way to create connectivity between Veteran's and Commerce to relieve traffic congestion at Veteran's and Highway 30. The city has budgeted \$1,800,000 for various road improvement projects.

SUMMARY

The city administration has prepared this presentation to the best of our ability with the knowledge of the financial circumstances of the city and economic outlook for this time. We feel that we have herein fairly represented revenues and expenditures and the overall positive impact they will have on present and future endeavors of this administration.

It is the intent of this presentation to hereby grant the Mayor the power to administer these budgets within a margin of plus or minus 5%, this being presented in the interest of expediency, legality, and/or unforeseen and unplanned emergencies.

Final vote and public hearing on the foregoing amendment to be taken at the next regular City Council Meeting to be held on Monday, April 27, 2020 at 5:30 p.m.

Motion by Councilman Kirk Boudreaux, seconded by Councilman David Guitreau to introduce Ordinance No. 4106:

AN ORDINANCE ADOPTING THE FISCAL YEAR 2020-2021 SALES TAX BUDGET

BE IT ORDAINED BY Mayor and Councilmen of the City of Gonzales, Louisiana:
That the Fiscal Year 2020-2021 Sales Tax Budget is hereby adopted as follows:

CITY OF GONZALES SALES TAX REVENUE BUDGET FY 2020-2021

REVENUES:

Sales Tax Collections	14,500,000.00
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TOTAL:	<u>14,500,000.00</u>
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EXPENDITURES:

Appr. To General Fund	7,250,000.00
Ser-2001 Appr. Fire, Police & Sanitation	3,625,000.00
Appr. To Capital Imp.	2,900,000.00
Appr. To Utility Fund for Debt Service	<u>725,000.00</u>

TOTAL:	<u>14,500,000.00</u>
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Final vote and public hearing on the foregoing amendment to be taken at the next regular City Council Meeting to be held on Monday, April 27, 2020 at 5:30 p.m.

Motion by Councilman Kirk Boudreaux, seconded by Councilman Tyler Turner to introduce Ordinance No. 4107

AN ORDINANCE ADOPTING THE FISCAL YEAR 2020-2021
GENERAL FUND BUDGET

BE IT ORDAINED BY Mayor and Councilmen of the City of Gonzales, Louisiana:
That the Fiscal Year 2020-2021 General Fund Budget is hereby adopted as follows:

**CITY OF GONZALES
GENERAL FUND BUDGET SUMMARY
FY 2020-2021**

	<u>PROPOSED BUDGET</u>
REVENUES:	
TAXES	11,735,000
FRANCHISE FEES	1,010,000
LICENSES AND PERMITS	1,486,000
FEES, FINES & FORFIETURES	150,000
FIRE DEPT. REVENUE	1,091,000
FACILITY RENTALS	199,400
INTERGOVERNMENTAL	14,940
GRANT REVENUE	325,000
RECREATION REVENUE	105,000
MISCELLANEOUS	37,850
INTEREST	75,000
TOTAL REVENUES:	16,229,190
EXPENDITURES:	
FIRE DEPARTMENT	3,635,000
ADMINISTRATION	962,500
POLICE DEPARTMENT	5,903,000
CODE ENFORCEMENT	369,500
SANITATION	1,100,400
STREETS & DRAINAGE	1,472,100
GENERAL GOVERNMENT	1,080,430
CIVIC CENTER	66,000
CITY ROOM	24,400
RECREATION	826,160
BUILDINGS & GROUNDS	723,000
TOURISM & CULTURAL DEV.	51,700
TOTAL EXPENDITURES:	16,214,190

Final vote and public hearing on the foregoing amendment to be taken at the next regular City Council Meeting to be held on Monday, April 27, 2020 at 5:30 p.m

Motion by Councilman Kirk Boudreaux, seconded by Councilman Harold Stewart to introduce Ordinance No. 4108:

AN ORDINANCE ADOPTING THE FISCAL YEAR 2020-2021 UTILITY FUND BUDGET

BE IT ORDAINED BY Mayor and Councilmen of the City of Gonzales, Louisiana:
That the Fiscal Year 2020-2021 Utility Fund Budget is hereby adopted as follows:

FY 2020-2021

REVENUES:	Proposed Budget
GAS SALES	1,550,000.00
SEWER SERVICE CHARGES	1,515,000.00
WATER SALES	1,410,000.00
MISCELLANEOUS	468,000.00
SALES TAX REVENUE	765,000.00
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TOTAL REVENUES:	5,708,000.00
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EXPENDITURES:	
GAS DEPARTMENT	1,379,000.00
WATER DEPARTMENT	1,448,600.00
WASTEWATER TREATMENT	1,126,610.00
UTILITY GENERAL GOVERNMENT	653,730.00
UTILITY ADMINISTRATION	477,500.00
METER READERS	103,000.00
DEQ LOAN EXPENDITURES	97,000.00
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TOTAL EXPENDITURES:	5,285,440.00
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TRANSFER TO DEBT SERVICE	422,560.00
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Final vote and public hearing on the foregoing amendment to be taken at the next regular City Council Meeting to be held on Monday, April 27, 2020 at 5:30 p.m

Motion by Councilman Kirk Boudreaux, seconded by Councilman Harold Stewart to introduce Ordinance No. 4109:

AN ORDINANCE ADOPTING THE FISCAL YEAR 2020-2021 CAPITAL OUTLAY BUDGET

BE IT ORDAINED BY Mayor and Councilmen of the City of Gonzales, Louisiana: That the Fiscal Year 2020-2021 Capital Outlay Budget is hereby adopted as follows:

**CITY OF GONZALES
CAPITAL OUTLAY BUDGET
FY 2020-2021**

FUND BALANCE	1,327,975.73
TRANSFER FROM GEN FUND - FUND BALANCE	3,000,000.00
REVENUES:	
Sales Tax Appropriations	2,900,000.00
Grants - Cap Outlay	1,680,750.00
Loan Proceeds	9,220,000.00
TOTAL REVENUES	13,800,750.00
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FUNDS AVAILABLE	18,128,725.73
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EXPENDITURES:	
STREETS & DRAINAGE IMPROVEMENTS	
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INTERSTATE LIGHTING	20,000.00
STREET DEPT / DRAINAGE EQUIPMENT	41,200.00
SIDEWALK CONSTRUCTION	70,000.00
BULKHEAD IMPROVEMENT	60,000.00
CAP ROAD IMPROVEMENT PROJECT	1,800,000.00
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<i>Total Streets & Drainage Improvements</i>	1,991,200.00
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FACILITIES & RECREATION ENHANCEMENTS	
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RECREATION CAPITAL OUTLAY	797,200.00
PROPERTY ACQUISITION	250,000.00
CODE ENFORCEMENT CAPITAL OUTLAY	40,000.00
BUILDINGS 7 GROUNDS CAPITAL OUTLAY	202,500.00
GENERAL CAPITAL	79,000.00
CITY ROOM	10,000.00
CIVIC CENTER	60,000.00
PACE CENTER	9,500,000.00
T. JOE MUSEUM	10,000.00
FIRE DEPT CAPITAL OUTLAY	165,000.00
POLICE DEPT CAPITAL OUTLAY	441,335.00
<i>Total Facilities & Recreation Enhancements</i>	<u>11,555,035.00</u>
UTILITY IMPROVEMENTS	
WASTEWATER CAPITAL IMPROVEMENTS	347,000.00
WATER SYSTEM CAPITAL IMPROVEMENTS	1,484,900.00
GAS SYSTEM CAPITAL IMPROVEMENTS	390,000.00
<i>Total Utility Improvements</i>	<u>2,221,900.00</u>
TOTAL EXPENDITURES:	<u>15,768,135.00</u>
ENDING FUND BALANCE	<u>3,688,566.46</u>

Final vote and public hearing on the foregoing amendment to be taken at the next regular City Council Meeting to be held on Monday, April 27, 2020 at 5:30 p.m

Motion by Councilman David Guitreau, seconded by Councilman Kirk Boudreaux to introduce Ordinance No. 4110:

AN ORDINANCE ADOPTING THE FISCAL YEAR 2020-2021 WASTEWATER IMPACT FEE BUDGET

BE IT ORDAINED BY Mayor and Councilmen of the City of Gonzales, Louisiana:

**CITY OF GONZALES
WASTEWATER IMPACT FEE FUND
FY 2020-2021**

REVENUES:

Wastewater Impact Fees	320,000.00
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EXPENDITURES:

Transfer to Gonzales Capital Outlay Fund	320,000.00
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Final vote and public hearing on the foregoing amendment to be taken at the next regular City Council Meeting to be held on Monday, April 27, 2020 at 5:30 p.m

Motion by Councilman Kirk Boudreaux, seconded by Councilman Tyler Turner to introduce Ordinance No. 4111:

AN ORDINANCE ADOPTING THE FISCAL YEAR 2020-2021
TANGER MALL ECONOMIC DEVELOPMENT FUND BUDGET

BE IT ORDAINED BY Mayor and Councilmen of the City of Gonzales, Louisiana:

That the Fiscal Year 2020-2021 Tanger Mall Economic Development Fund Budget is hereby adopted as follows:

**CITY OF GONZALES
TANGER MALL ECONOMIC DEVELOPMENT FUND**

FY 2020-2021

REVENUES:

Tanger Mall EDD One Cent Sales Tax Revenue 1,030,000.00

EXPENDITURES:

Transfer to Tanger Mall 721,000.00
Transfer to Gonzales Capital Outlay Fund 309,000.00

TOTAL: 1,030,000.00

Final vote and public hearing on the foregoing amendment to be taken at the next regular City Council Meeting to be held on Monday, April 27, 2020 at 5:30 p.m

Motion by Councilman Kirk Boudreaux, seconded by Councilman David Guitreau to introduce Ordinance No. 4112:

**AN ORDINANCE ADOPTING THE FISCAL YEAR 2020-2021
INDUSTRIAL DEVELOPMENT BOARD BUDGET**

BE IT ORDAINED BY Mayor and Councilmen of the City of Gonzales, Louisiana:

**CITY OF GONZALES
INDUSTRIAL DEVELOPMENT BOARD
FY 2020-2021**

	<u>Proposed Budget</u>
REVENUES:	
Sales Tax Collections	850,000.00
TOTAL:	<u>850,000.00</u>
EXPENDITURES:	
Transfers to Bond Trustee	850,000.00
TOTAL:	<u>850,000.00</u>

Final vote and public hearing on the foregoing amendment to be taken at the next regular City Council Meeting to be held on Monday, April 27, 2020 at 5:30 p.m

Motion by Councilman Kirk Boudreaux, seconded by Councilman Harold Stewart to introduce Ordinance No. 4113:

**AN ORDINANCE ADOPTING THE FISCAL YEAR 2020-2021
CONWAY ECONOMIC DEVELOPMENT DISTRICT BUDGET**

BE IT ORDAINED BY Mayor and Councilmen of the City of Gonzales, Louisiana:

**CITY OF GONZALES
CONWAY ECONOMIC DEVELOPMENT DISTRICT
FY 2020-2021**

	<u>Proposed Budget</u>
REVENUES:	

Sales Tax Collections	40,000.00
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TOTAL:	40,000.00
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EXPENDITURES:	
Transfers to Bond Trustee	38,000.00
Transfers to Conway EDD Fund	2,000.00
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TOTAL:	40,000.00
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Final vote and public hearing on the foregoing amendment to be taken at the next regular City Council Meeting to be held on Monday, April 27, 2020 at 5:30 p.m

Motion by Councilman David Guitreau seconded by Councilman Kirk Boudreaux to introduce Ordinance No. 4114:

AN ORDINANCE ADOPTING THE FISCAL YEAR 2020-2021
HOTEL TAX FUND BUDGET

BE IT ORDAINED BY Mayor and Councilmen of the City of Gonzales, Louisiana:
That the Fiscal Year 2020-2021 Hotel Tax Fund Budget is hereby adopted as follows:

**CITY OF GONZALES
HOTEL TAX FUND
FY 2020-2021**

	<u>Proposed Budget</u>
REVENUES:	
Sales Tax Collections	530,000.00
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TOTAL:	530,000.00
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EXPENDITURES:	
PACE Center Expense	530,000.00
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TOTAL:	530,000.00
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Final vote and public hearing on the foregoing amendment to be taken at the next regular City Council Meeting to be held on Monday, April 27, 2020 at 5:30 p.m.

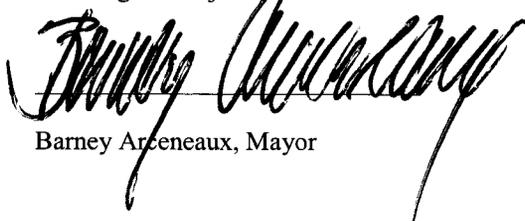
Motion by Councilman Kirk Boudreaux, seconded by Councilman Tyler Turner to adopt the City of Gonzales Debris Management Plan.

YEAS: Councilman Neal Bourque, Councilman David Guitreau, Councilman Kirk Boudreaux,
Councilman Harold Stewart, Councilman Tyler Turner

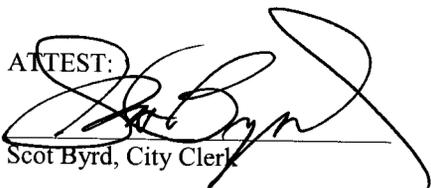
NAYS: NONE

ABSENT: NONE

There being no further business to come before the City Council and upon a motion duly made and seconded, the Meeting was adjourned.


Barney Arceneaux, Mayor

ATTEST:


Scot Byrd, City Clerk

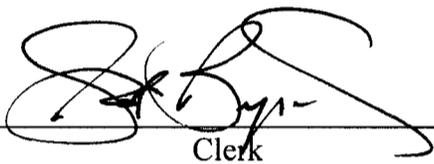
STATE OF LOUISIANA

PARISH OF ASCENSION

I, the undersigned Clerk of the City of Gonzales, State of Louisiana (the "City"), do hereby certify that the governing body for the City of Gonzales, the Gonzales City Council, held its meeting on April 13, 2020 via teleconference during the Covid-19 Public Health Emergency and would not otherwise been able to operate due to quorum requirement in compliance with Louisiana Revised Statute 42:19.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of said City on this, the 14th day of April, 2020.

(SEAL)


Clerk