

**PROCEEDINGS OF MINUTES OF A REGULAR MEETING
OF THE TOWN OF OAK GROVE, LOUISIANA
TUESDAY, JULY 11, 2023 – 5:00 P.M.**

The Town Council of Oak Grove met in regular session on Tuesday, July 11, 2023 at 5:00 p.m. in the council chambers at the Town of Oak Grove City Hall. Present for the meeting were Council Members Nevels, Walker, Allen, Holland and Phillips. Mayor Rollinson Presided. Invocation was led by Council Member Nevels.

Council Member Allen made a motion, seconded by Council Member Phillips to approve the minutes of the June 8, 2023 special meeting and the June 12, 2023 regular meeting. The motion carried.

Council Member Allen made a motion, seconded by Council Member Nevels to approve the following new business to be added to the agenda: (A) sewer point repairs. The motion carried.

Council Member Nevels made a motion, seconded by Council Member Phillips to approve the June 2023 financials and bills for payment. The motion carried.

Mayor Rollinson opened the floor for nominations for Mayor Pro Tem for the 2023 – 2024 fiscal year. Council Member Walker nominated Council Member Nevels. Council Member Phillips seconded the nomination. There were no other nominations. Council Member Nevels was named Mayor Pro Tem.

Council Member Holland made a motion, seconded by Council Member Phillips to adopt a Resolution for the 2023 millage rates. The motion carried. A copy of the Resolution is available at City Hall.

Carolyn Slacks and Paul West with NOVA spoke to the council to let them know the services that they offer.

Mayor Rollinson stated that he and a committee consisting of Council Members Holland and Phillips, along with Water Clerk Marilyn Jordan had met several times to discuss the recent rate study that was provided by Consulting Engineer Terry Lewis and try to come up with suggested water and sewer rates that would satisfy the sustainability factors required of utility systems. He stated that the suggested rate increases for water and sewer were being presented as Resolutions for council approval and while the suggested increases would still fall short of the required sustainability factor, this will show that the Town is making an effort to meet those requirements.

Council Member Allen made a motion, seconded by Council Member Nevels to adopt the following Resolution:

RESOLUTION

A RESOLUTION ADJUSTING THE RATE STRUCTURE THE TOWN OF OAK GROVE, STATE OF LOUISIANA, CHARGES ITS CUSTOMERS FOR USE OF ITS WATER SYSTEM; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the Code of the Town of Oak Grove at Section 10-29 authorizes the Governing Body to fix the effective water rates for its customers; and

WHEREAS, the Mayor and Town council of the town of Oak Grove (the”**Town**”), acting as the governing authority thereof (the “**Governing Authority**”), have previously established the rates the Town charges for its water service; and

WHEREAS, the current rate structure fails to provide sufficient revenue (i) to allow the Town to provide adequate debt service coverage on debt, and (ii) to repair, maintain, improve and construct additions to the water system (the “**System**”) that will provide quality service to its citizens sufficient to meet environmental standards imposed upon the town by the United States Environmental Protection Agency; and

WHEREAS, the Governing Authority desires to implement new rates the Town will charge customers for water service (the “**Rates**”) which will provide adequate debt service coverage and quality water service to the citizens of the Town sufficient to meet Environmental Standards.

THEREFORE, BE IT RESOLVEVED, by the Town Council, acting as the governing authority of the Town, that:

SECTION 1. Rate Changes. The following Rates shall apply as of the Effective Date (defined below):

Residential Usage – Base Rate Per Month - \$17.00 first 2,000 gallons (\$6.00 per 1,000 gallons or part thereof thereafter)

Commercial Usage – Base Rate Per Month - \$42.00 first 5,000 gallons (\$6.50 per 1,000 gallons or part thereof thereafter)

SECTION 2. Covenants. The Rates shall increase annually by 2% for both residential and commercial usage.

SECTION 3. Effective Date. The Rates stated in Section 1 hereof shall become effective with the billing cycle which becomes due, or on or about August 10, 2023 (the “**Effective Date**”).

Voting in favor were Council Members Allen, Nevels and Phillips. Council Member Walker voted against the motion. Council Member Holland abstained from voting. The motion carried.

Council Member Nevels made a motion, seconded by Council Member Phillips to adopt the following Resolution:

RESOLUTION

A RESOLUTION ADJUSTING THE RATE STRUCTURE THE TOWN OF OAK GROVE, STATE OF LOUISIANA, CHARGES ITS CUSTOMERS FOR USE OF ITS SEWERAGE SYSTEM; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the Mayor and Town council of the town of Oak Grove (the “**Town**”), acting as the governing authority thereof (the “**Governing Authority**”), have previously established the rates the Town charges for its sewerage service; and

WHEREAS, the current rate structure fails to provide sufficient revenue (i) to allow the Town to provide adequate debt service coverage on debt, and (ii) to repair, maintain, improve and construct additions to the sewerage system (the “**System**”) that will provide quality service to its citizens sufficient to meet environmental standards imposed upon the town by the United States Environmental Protection Agency and/or the Louisiana Department of Environmental Quality (collectively “**Environmental Standards**”); and

WHEREAS, the Governing Authority desires to implement new rates the Town will charge customers for sewerage service (the “**Rates**”) which will provide adequate debt service coverage and quality sewerage service to the citizens of the Town sufficient to meet Environmental Standards.

THEREFORE, BE IT RESOLVEVED, by the Town Council, acting as the governing authority of the Town, that:

SECTION 1. Rate Changes. The following Rates shall apply as of the Effective Date (defined below):

Residential Usage – Base Rate Per Month - \$25.00 first 2,000 gallons (\$8.00 per 1,000 gallons or part thereof thereafter)

Commercial Usage – Base Rate Per Month - \$40.00 first 2,000 gallons (\$10.00 per 1,000 gallons or part thereof thereafter)

SECTION 2. Covenants. The Rates shall increase annually by 10% for residential usage and 15% for commercial usage. The Rates shall at all times be sufficient to allow the Town to meet its rate covenant obligations under all existing and future bonded indebtedness and other debt agreements. The Town hereby covenants to adjust the Rates, as needed, to ensure the collection of sewerage revenues sufficient to pay the reasonable and necessary expenses of operating and maintaining the System in each fiscal year and furthermore to provide net revenues in an amount equal to at least 1.25% of principal, interest and other payments falling due in each fiscal year on all bonded indebtedness or other debt obligations payable from net revenues of the System (“**Rate Covenants**”). An annual calculation shall be made at the time of delivery of the Town’s annual audited financial statements (the “**Delivery Date**”) by either the auditors of, or a financial advisor to, the Town. In the event the annual calculation shows insufficient net revenues to meet Rate Covenants, rates shall be adjusted in the billing system of the town so that within sixty (60) days from the Delivery Date, the Town shall begin billing rates, on a prospective basis, rates sufficient to be in minimum compliance with the Rate Covenants.

SECTION 3. Effective Date. The Rates stated in Section 1 hereof shall become effective with the billing cycle which becomes due, or on or about August 10, 2023 (the “**Effective Date**”).

Voting in favor of the motion were Council Members Nevels, Phillips and Allen. Council Member Walker voted against the motion. Council Member Holland abstained from voting. The motion carried.

Council Member Holland made a motion, seconded by Council Member Phillips to approve using ARPA fund for the purchase of a mini excavator from the Town of Rayville in the amount of \$27,000.00 and approve the purchase of a trailer from Cowboy Trailers in the amount of \$10,000.00. The motion carried.

Chief Russell stated that he had made a list of properties that were in need of demolition or repair and had sent letters to the individuals responsible for the property taxes on those properties. He stated that some of the property owners had reached out saying they plan to either have the property torn down or make necessary repairs. The council were given a list of the properties as well as what property owners had contacted City Hall. Chief Russell asked the council to review the list and the properties and decide if they want to move forward with condemnation procedures on any of the properties listed or if there were other properties that should be added and the owners contacted. No action was required at the time.

Town Superintendent Moody stated that there is a sewer cave in in need of repair in the alley behind the old drug store on Main Street. He stated that he received one quote for the sewer point repairs from Ashton Construction in the amount of \$24,019.41. Council Member Phillips made a motion, seconded by Council Member Holland to approve the quote from Ashton Construction for the sewer point repairs. The motion carried.

At 5:50 p.m. Council Member Allen made a motion, seconded by Council Member Phillips to adjourn. The motion carried.

MELLISSA CORLEY, LMMC

HUBERT ROLLINSON, JR., MAYOR