

The Mayor and Council of the City of Abbeville met in special session on March 7, 2019 at 5:30 P.M., at the regular meeting place, the Council Meeting Room located at 101 North State Street, with the Honorable Mark Piazza, Mayor, presiding.

Members Present: Council Members, Francis Plaisance, Terry Broussard, Brady Broussard, Jr., Francis Touchet, Jr., Mayor Pro-Tem and Roslyn White

Members Absent: None

Also Present: Jude Mire, Fire Chief
Bill Spearman, Police Chief
Ike Funderburk, City Attorney
Clay Menard, Public Works Director
Richard Primeaux, Engineer
Wayne Touchet, Vermilion Parish Police Juror
Lynn Guillory, Chamber of Commerce
Commander Thomas Thompson, President, Chamber of Commerce
Joseph Boneski, Part-time Police Officer
Fred Hoyt
Jim Ruiz
Thomas Vallot

Mayor Piazza asked Officer Joseph Boneski to lead the assembly in prayer. Mayor Piazza led the assembly in the Pledge of Allegiance.

Mayor Piazza asked if there were any comments from the public on any agenda item. There were none.

-01 introduced by Mr. Francis Plaisance and seconded by Ms. Terry Broussard to appoint Joseph Boneski as a Part-Time Police Officer. The motion carried unanimously.

Mayor Piazza stated we temporarily suspended the overtime cap on the Police Department for 90 days on October 16, 2018. Unfortunately, the Chief is still struggling with the shortage of personnel. Mayor Piazza was under the understanding that we were going to hire more people tonight in the part-time capacity so that is why he put this on the agenda. He asked the Council to table this. Councilman Touchet asked Chief Spearman how many officers he was short and how many part-time officers he will need. Chief Spearman stated he is short 5 officers and will need 8 to 10 part-time officers. Officer Boneski is the first one hired.

-02 introduced by Ms. Roslyn White and seconded by Mr. Brady Broussard, Jr. to table the reinstatement of the overtime cap for the Police Department that was temporarily suspended on October 16, 2018. The motion carried unanimously.

Touchet/Plaisance
Resolution R19-05

A resolution authorizing the Mayor to execute all agreements with Louisiana DOTD relative to the Rehabilitate Runway and Partial Taxiway-Phase I (Design) Project.

The motion carried unanimously.

-03 introduced by Mr. Francis Touchet, Jr. and seconded by Ms. Roslyn White to table the approval of a pay application for the Airport Terminal Renovation Project since no documentation had been submitted. The motion carried unanimously.

Mr. Funderburk stated that as part of what we are trying to do to give pay raises to Fire, Police and Municipal employees, he has prepared agreements that have been executed by all the members of the Fire Department and all the members of the Police Department. They have concurred and authorized the City to move forward with legislation that will amend the two statutes that fit their step increase salary schedule. This will allow us to do a one-time, during this fiscal year, across the board raise. Councilman Touchet asked where are we with Senator Hensgens. Ike stated that he has been in contact with an attorney for the legislature who has this bill. He hopes to have the language that will be used to amend the statute, tomorrow. We are on target there. The deadline for filing local bills is March 15, 2019. Councilman Plaisance asked if everyone understood exactly what the agreement said. Ike stated there was a meeting held with the entire Police Department, except for two officers who later were informed and understood what was going on. At the meeting, there was spirited discussion about this being the path they needed to take. He also met with every member, individually, of the Fire Department after the Chief had discussed this with them. They understood what was going on. Some of them had questions so we addressed all of those. They understand why we are doing this and why we have to do this. Everybody was on board. Councilman Plaisance asked Chief Mire and Chief Spearman if their employees understood what this agreement was. Chief Mire and Chief Spearman both answered yes. Councilman Touchet stated that we are having the election before the legislation will be passed. What happens if the legislation does not pass? Ike stated he doesn't think that is even plausible. This is a local bill and now that we have everybody on board here with the two department, it is a matter of form for a local bill to be approved as written. There will not be any great debate about it. It will not be anything that anyone from North Louisiana would have a problem with or anywhere else because it is a local bill. It has the support of our Senator. If the bill would not pass then we could not give the raises. The bill will not be signed by the Governor by late August or September. That is why we will not begin collecting the tax until October 1, 2019. Our Senator has authored the bill and he will shepherd it through. Mr. Hoyt stated the notice of calling for a special election does not state across the board raises. It calls for sustainable raises for the City's fulltime employees, as determined by the City, in the manner provided by law. There is a disparity here. Ike stated the notice speaks for itself and it is the language that was provided to him by the Secretary of State. He followed their form. The City Council will make the determination as to how those dollars will be allocated. Across the board raises is the standard that has been talked about the entire time. They will give an across the board raise for Fire and Police and an hourly raise for Municipal. Mayor Piazza stated is it not an across the board raise for Municipal employees. Municipal employees are different from Fire and Police. Mr. Hoyt asked which one the Fire and Police signed off on. Councilman Plaisance stated they only signed off to amend the statute to authorize a one-time across the board raise. We have talked about an across the board raise the whole time and it has never been determined what the dollar amount will be. Ike stated it would not be appropriate for us to put that in the notice since that determination has not yet been made. He used the stylized language as provided by the Secretary of State. Commander Thompson stated it seems that we are talking about apples and oranges. It looks like we are talking about across the board raises and a sales tax to be used in the future. Councilman Plaisance stated the Fire and Police have

agreed to suspend this one-time for an across the board raise but the raise will be sustainable for a period of time. It will not just be one raise this year. Whatever the raise is, it will be sustained for years. Councilwoman White stated what was discussed in another meeting was a \$500.00 per month across the board raise for Fire and Police. Ike stated the one-half cent sales tax was determined to be the appropriate amount to generate the funds that will create a pool that will sustain a one-time across the board raise for the Fire and Police and for an hourly raise for Municipal employees. They are connected mathematically. Our CPA crunched the numbers taking the costs that would be associated with the salary and the benefits that are related to that including taxes and retirement and other things that we have to provide for. He gave that information to the Council and they made a decision to move forward with a one-half cent sales tax increase in order to provide the funds that will fund these raises for the next 20 years. Councilman Touchet stated it should be clearly stated that it will be a \$500 per month raise for all Police and Fire Employees and a \$2.00 per hour across the board for the Municipal employees with the Council to be able to take anywhere from \$1.00 to \$10.00 to look at needed particular areas such as a Lineman. Mayor Piazza stated you are voting on the resolution that is presented and you cannot vary from that resolution. Ike stated the next resolution we will be talking about truly is formula straight from the bonding commission and the Secretary of State's office and the forms we are required to complete. Mayor Piazza asked Ike if there would be any necessity to postpone the election until the following election after the legislature and the Governor have voted for our bill? Ike stated he does not believe the legislature will care what the City of Abbeville does in regards to its salary structure so we can give a one-time across the board raise. That is not something that will become an issue. They have a lot of other fish to fry and unless there is someone who wants to sabotage this process, that will not happen. It is a local bill and the people that are affected by the bill are all on board with it. Those are the Police and Fire whose salaries are determined by these statutes. Those are the only ones who have a real horse in this race. Our Legislators will not have a problem with this bill.

Plaisance/Touchet
Resolution R19-06

A resolution authorizing the Mayor to execute agreements with the members of the Abbeville Fire Department and the Abbeville Police Department.

The motion carried unanimously.

Mayor Piazza stated the last agenda item was to approve a resolution ordering and calling for a special election in the City of Abbeville to be held on May 4, 2017 to authorize a special tax. Ike Funderburk stated the resolution has a couple of different parts. First of all, we are calling a special election that would take place on May 4, 2019 where the electorate of the City of Abbeville would be able to express their option as to whether or not they want to impose a ½ cent sales tax on retail sales, usages and rentals within the City with it generating, we hope, up to \$1.4 million dollars annually. This would be used to provide for sustainable raises for the City's full-time employees. The resolution has attached to it a notice of special election. This includes the language for the call and the location of all the voting precincts that will be open on that day for the registered voters within the city limits of Abbeville. This is a form that is used by one of the bonding attorneys in the State of Louisiana and it is made available to anyone who needs it by the Secretary of State. Mayor Piazza asked why if the election is May the 4th why will we not begin the collection of the tax until October 1st? Ike stated because we have to make the salary adjustments in accordance with the law. So, we are waiting for legislation to go through the pipeline and it will probably not get signed until September by the Governor. The collection would begin after the law has gone into effect so we can give the salary adjustments at that time. We

are going to give raises in accordance with the law that is in effect at that time. Mr. Moosa will have to advise us when the raises will go into effect. The ability to give a raise is hooked to fiscal year 2019 so you can vote in the raise some time during 2019 assuming that the tax passes then the raise can be effective at a certain point in time. The raise would be given in the 2019 fiscal year and it would have an effective date. Councilman Broussard stated a quarter of a year should raise about \$345,000. Mayor Piazza stated even though the election is May 4th, we are telling the school board that we don't want it collected until October 1st. Ike stated we have to wait to begin the collection after the bill is passed so we can give the raise in the across the board manner as we discussed. We can't give a raise before the Governor signs the bill in September. Mayor Piazza stated that sales tax proceeds collected in October will not be received by the City until December. The sales taxes are paid to the local establishment. The local establishment has until the 20th of the following month to remit those proceeds to the school board. Then the school board divides it up to all the different governmental bodies around the first of the following month which would be around the 1st of December. Because of this we are looking at the first of the new year. Mr. Fred Hoyt stated he is for raises but let's be smart with our dollars. As stated by the Mayor, last Council meeting, we have a Cadillac Fire Department. The staff currently get a 2% pay raise every year. The Police Department pay is based on a Model A budget. The problem is the Police starting wage. That is \$9.86 per hour. His cashiers make \$12.00 per hour. We have to remedy this situation. We have lost 32 officers over the last 4 years and the turnover rate is 25%. He distributed a spreadsheet. The first page is an analysis of different fire departments in the surrounding area. These are four different cities comparable to the City of Abbeville's population. It contained the sales tax rate, the population, the fire department budgets, number of fire stations, fire rating, number of full-time employees and if the fire department responds to medical calls. The analysis contained Abbeville, Crowley, Jennings, Morgan City and Rayne. Mr. Hoyt wanted to do the analysis between the City of Abbeville and Morgan City. They have nearly the same population but the fire department budget for the City of Abbeville is \$1,000,000 more than Morgan City. New Iberia has a population of 30,000. Their budget for the fire department is \$3.4 million. The Abbeville Fire Department budget is \$3.2 million. The number of stations and the fire rating of Abbeville and Morgan City are the same. The City of Abbeville has 5 more full-time employees as Morgan City. The second page of the handout was a police department analysis of the same cities. The actual budgets for the fire department for Abbeville and Morgan City were also attached. Mr. Hoyt stated raising the sales tax rate to be 2% higher than Lafayette is pushing more sales to the north. Each of you recognize that businesses are closing in the City. Buildings are empty which means jobs are leaving too. According to the U. S. Tax Foundation, Louisiana has the second highest average combined state and local sales tax rate at 9.45%. That is ½ % lower than we are now. High tax rates can push consumers toward neighboring tax environments. Sales tax rate differential can induce customers to shop across borders or buy products online. He suggests putting this election off until there can be further research and all reductions can possibly be made from within. If we put it off until October, we will also save \$9,000. He is requesting the Council to vote no on the resolution. We do not have to reinvent the wheel, we just have to copy recipes of success from our neighboring municipalities. Reduce expenses to give raises. Make Abbeville sales tax competitive. Another option would be to raise it 1/4 % instead. This would allow you to address the real problem which is police pay. We have to be smart about the way we allocate the dollars the City has. Councilman Broussard asked Mr. Hoyt if this position is the one being taken by the Chamber of Commerce or as a businessman? Mr. Hoyt stated Commander Thompson is here to talk on behalf of the Chamber of Commerce and he (Mr. Hoyt) is here as a small businessman. Councilman Broussard asked if the Council would delay the election until October, would business be more likely to support? Mr. Hoyt stated the City needs to do the research in order to make an informed decision. Councilman Plaisance stated they have a committee that has worked on this for a very long time and this has been discussed since he has been here 13 years. It is something that we take very seriously and

something that weighs heavy on us. The Fire Department responds to the entire third ward. He is not sure these other departments, like Morgan City, respond outside the City. There were only three options discussed at the last meeting. We could raise utility rates, raise property tax or increase sales tax. If we increase sales tax, it affects anyone that shops in Abbeville. We really don't want to raise utilities or property tax. He has been getting a lot of businesses that are far the sales tax increase, but it will still be a challenge. We have worked very hard on this. Mr. Hoyt stated that firemen all have second jobs. It is like comparing oranges to apples. They all have a pretty good salary from the City already. You have to make the expenses equal revenues. Mayor Piazza asked why is it the State can raise sales tax without the vote of the public? Mr. Hoyt stated that it is probably in the State Constitution. Commander Thompson stated the Chamber is not opposed to a pay raise for the Police Department. They are at risk for \$9.00 per hour. To lump them with the firemen and maintenance workers does a disservice to them. They have a lot of courage. We are not in favor of what is being proposed. There is a 4th option. Scrub your budget and review your tax structure. Take the Police Department out of the equation and treat them differently. They are special and should be treated special. Don't raise property tax and utility rates. Look at your tax structure. They are not opposed to the police being paid adequately. Whoever has the power to tax has the power to destroy. If you increase the sales tax then you will not be able to sustain it. Why would I not go to Lafayette instead of going here? We have empty buildings and we may see more empty buildings. Let's proceed more slowly. You will put the proposition to the people in May but we have to wait for the Governor to sign the legislation until September. Look at this more closely we think there is room for examination. The Chamber will take the stance against it and we will issue a resolution to that effect. The police do need a pay raise though. Mayor Piazza stated that this Council is under a lot pressure and we have made a lot of promises to a lot of employees that are counting on these raises. If we are not going to collect the tax until October the 1st because we are waiting on the Governor and if the tax proposal was put on the ballot in October and collected immediately, they would get their raise at the same time. The next election is October 12th. Ike stated we would receive two weeks less. Councilman Plaisance pointed out that when we gave Lowe's the tax incentive to come here, this is what the individuals were paying there. Lowe's paid off the \$500,000 ahead of schedule. Our constituents were shopping there. Commander Thompson stated he represents the Chamber and the businesses. They discussed this in depth and this is what was decided so he is just reporting that. At that same period that they shopped at Lowe's they didn't shop at Stine's so Stine's left. Councilman Touchet stated that he understands where the Chamber is coming from. He is conservative and he does not like to put taxes on anything. Education is the key. We all see what policemen have to deal with but if the electricity goes out right now, we have only two linemen who can go into that bucket and work on the high-powered lines. If this is hurricane season and we have several outages, your businesses will be calling us because we don't have people to be able to put in those positions. When your sewerage or water is not working, do you know what that crew does getting in those holes and working with? He understands that it is a police thing but the reason why we have looked outside of that because there are other needs. We are paying a guy \$7.00 to weed eat on the side of the road. You are paying someone \$9.00 for policemen. You are paying your cashiers \$12.00. We have a revolving door. How do you sustain that? What do you do? He will tell the Chamber to look a little bit further. Education yourselves. Until you are that person that has a fireman come to your house as a first responder, that is valuable. That is the most important thing. Yes, we have a Cadillac because he wants our fire department to save everyone. If something happens, the ambulance is not getting there first. It is our fire department. You can make an argument in all three areas. He is not for taxes and he doesn't believe in that. We don't have the money in our budget to address the needs of the police, fire and municipal employees. Commander Thompson stated that we must take and treat the worst first and correct the others later on. If you have no businesses in the City because of the tax situation then what will the police do? You will lessen your sales tax collection. It is a dog chasing

its own tail. You need to look at your tax structure. There is a lot of education that needs to be done on both sides. The reason that the Chamber took this stance is because of the speed and the lack of information that was provided. Councilman Plaisance stated this is a very difficult decision. The Mayor does a fantastic job each year with the budget. Every single line item is looked at. There is no money. The same people who want to go shop in Lafayette are the same people that the police will have to respond to when somebody goes in their neighborhood and robs them. We are the same people who want the fire department to come see about us. We just bought an apparatus for the fire department recently called LUCAS. It saved someone's life a week after we purchased it. We asked if we could stop servicing the third ward at this table. But we can't. We have to save every life that we can. 99% of the time we are there before Acadian Ambulance. His mother had a heart attack and we had to wait for an ambulance to come from Lafayette. Commander Thompson believes this is not the appropriate way to go. A sales tax will hurt the businesses in the City. The sales tax will be used to fund three categories of employees when only one should be looked at. That is the police department. It is too much at one time. Councilman Touchet asked Commander Thompson what if we put this off and by the way of a vote of the Council, we increase the property tax to 10 mills? Each mill will raise about \$65,000. We are currently at 6 mills. Do you think the businesses would be ok with that? Commander Thompson stated no because you have not looked at your tax structure. Mayor Piazza asked Commander Thompson what he means about "looking at our tax structure". Commander Thompson stated he means the mills. Mayor Piazza stated we don't get hardly anything. We only generate \$400,000 per year on our property taxes on a \$26 million budget. It is pennies. Commander Thompson stated they have not been informed enough about what is going on. Councilman Touchet stated that he is disappointed that the Chamber has already made a decision and yet no decision has been made by this Council and they have not been open to hearing about the proposal. You are making a stand right now before you have educated yourself. Commander Thompson stated they stand in agreement against the resolution proposed tonight. Councilman Broussard stated to Commander Thompson that if there are any alternative proposals, they would be interested in hearing them. Mr. Hoyt stated the City needs to conform the fire department to the model from Morgan City in order to save \$1 million. Councilman Plaisance asked Mr. Hoyt if he lives in the City limits. He said no. Councilman Plaisance stated but our fire department will still respond to you if you need them. Morgan City does not do that. Mr. Hoyt stated the Council needs to look at the expense side in comparison to Morgan City and you also need to hammer down on Acadian Ambulance to improve their response time and provide first responder service. The City doesn't have to do that. Most of your calls are medical. Mayor Piazza asked Chief Mire what the percentage of medical calls are. Chief Mire stated it is about 80% medical. Mayor Piazza stated and about 1/3 of those medicals are outside of the City limits. Chief Mire stated the State of Louisiana just dropped their sales tax to 4.45% it was higher before that. There were no businesses in Abbeville with for sale signs. All we are doing is going back to what we were paying for 3 years. This is the same amount and this will help the employees. We do have a Cadillac Fire Department in Abbeville but we are providing the services that these people need in and out the City limits. The Vermilion Parish Police Jury controls the ambulances. We are there 95% of the time before the ambulance. About a week and one-half ago we had a bad accident on Highway 167, we were there long before the ambulance got there. We had a bad accident last night in front of Culpeppers. We were there long before the ambulance got there. Our guys were there removing people from the vehicle and making sure those people stayed alive until the ambulance got there. Mr. Corey Broussard stated he understands where the businesses are coming from. He works for the Fire Department. Nobody likes to pay extra taxes. You (Mr. Hoyt) keeps saying the Police Department starts out at \$9.00 and you are paying somebody \$12.00 to work a cash register. He has been with the Fire Department for 10 years and he is barely making what Mr. Hoyt's cashiers make. They (the Police Department) start out at \$9.00+ per hour. At the Fire Department they are starting at \$7.00+. We barely make above minimum wage. It is not just the

Police Department. It is everybody who works for the City. The Police Department does need a pay raise but so does everybody else. Commander Thompson restated that this is the position of the Chamber as we stand right now. It seems you have your mind made up tonight. It will be a contest. May the best man or woman win. This is politics and economics, it is nothing personal. Our concern lies with the businesses. Councilman Broussard thanked Commander Thompson and Mr. Hoyt for their important points and good debate. It is wonderful when our Chamber is represented at these meetings because it is your business that we are doing. Small business is the life blood of the country, not just Abbeville. He is especially aware that it is a terrible time all the time when our particular part of the country is still in an oil and gas crisis. When we have not recovered like West Texas or the Dakotas or other places in the country, that is tough on our businesses. They are fragile and are holding on and no one on this Council wants to do anything to hurt our businesses because they do fund the City. He hopes each Councilperson respects your opinion that if this is not haste, the appearance of haste is not a good thing either. He asked Mr. Hoyt and Chief Mire if they know the cost to go one level down on the fire insurance rating. Chief Mire stated that would be an increase of 10 to 15 percent of your premium. Mr. Hoyt stated he spoke to an insurance agent in town and on a \$75,000 home it would be about a \$50 per year increase. Councilman Broussard stated he appreciated the Mayor's comment about postponing the election until October doesn't delay the raises. Mayor Piazza stated he is in the retail business also and an increase in sales tax scares the heck out of him. He has already closed one store because of internet sales. He had to close Radio Shack, a 98-year-old business, when they closed nationwide because of internet sales. We are trying to fight the internet sales tax issue and the State seems to want to collect it but they are very slow moving to do so. As far as the City of Abbeville goes, we (this Council), has reduced electricity rates to the businesses 4 times in the last 10 years. It is not like we are continuously going to the businesses for more funds. It does not end here, pass or fail on this sales tax, we are operating on a break-even budget. Every year because we are mandated by State law, we have to give raises. They also go up on retirement benefits like the letter he received Monday where firefighter's retirement is going from 26% to 29%. On every dollar we pay them we have to pay the retirement system nearly 30%. It is the same thing for the Police retirement. We are mandated by State law. This affects every City in the State. The retirement has skyrocketed. We are sitting here trying to figure out how we will pay for those things in the future. Commander Thompson offered a standing invitation to the Mayor and Council to meet before the board at their meeting. The next meeting is in April.

Plaisance/Broussard
Resolution R19-07

A resolution ordering and calling a special election to be held in the City of Abbeville, State of Louisiana, to authorize a special tax therein: making application to the State Bond Commission in connection therewith; and providing for other matters in connection therewith.

The motion carried unanimously.

There being no further business to discuss, Mayor Piazza declared this meeting adjourned.

ATTEST:

APPROVE:

Kathleen S. Faulk
Secretary-Treasurer

Mark Piazza
Mayor