

**MINUTES
CITY COMMISSION WORK SESSION
OCTOBER 17, 2023**

The Cordele City Commission held a Work Session on October 17th at 10:29 AM, in the Cordele City Hall Courtroom, 501 North 7th Street, Cordele, Georgia with the following present:

Joshua Deriso, Commission Chair	Royce Reeves, Sr., Commission Vice Chair
Vesta Beal-Shephard, Commissioner	Wesley Rainey, Commissioner
Isaac Owens, Commissioner	Angela Redding, City Manager
Tommy Coleman, City Attorney	Genivieve Mumphery, Recording Secretary

STAFF PRESENT: Steve Fulford, Public Works Director/Assistant City Manager, David Wade-Personnel Director, Rusty Bridgers-Finance Director.

CALL TO ORDER: Commission Chair Joshua Deriso called the Work Session to order at 10:29 AM.

ROLL CALL: A quorum was established.

Attendee's Name	Title	Absent	Present
Joshua Deriso	Commission Chairman		✓
Royce Reeves, Sr.	Commission Vice Chairman		✓
Vesta Beal-Shephard	Commissioner Ward 1		✓
Isaac Owens	Commissioner Ward 3		✓
Wesley Rainey	Commissioner Ward 4		✓

APPROVAL OF AGENDA – October 17, 2023: Commission Vice Chair Reeves moved to approve the Work Session Agenda for October 17, 2023; seconded by Commissioner Shephard' the motion was approved by the Commission.

AGENDA ITEMS

1. Discussion – Gas Services: Eric Groom – Gas Authority Representative
Municipal Gas Authority of GA name has been changed to Gas Authority.
Mr. Groom will discuss Natural Gas Services for the City of Cordele.
The Gas Authority is a Co-op. It has eighty-one (81) Cities that are members of the Gas Authority. The State and some member Cities back in 87 came together and had the Georgia General Assembly to form The Gas Authority as a non-profit organization. “Why in 1987 did that Happen?” Prior to that it was unregulated and then it became deregulated, where the pipeline no longer said, we can’t serve you, you got to go find a Marketer or Representative to get your gas to your City. So, prior to 1987, the pipeline took care of you. 1987 that no longer existed for the State of Georgia, so, the Gas Authority was formed back in 1987 with Charter Members.
The easiest way is to described Gas Authority is it is a Co-op. Our responsibility is to make sure the gas gets from the well head to the City Gate. There are two City Gates here, we make sure that gas is there, once it gets to the City Gate, it is your City

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responsibility to get it to the customer, that is the reason the City has a natural gas system and a natural gas department. It is a difficult task to make sure gas is delivered to the City Gates.

How the Gas Authority relates to Cordele? The City of Cordele is looking at possible membership with the Gas Authority. This cannot happen tomorrow, it takes time to make sure everything is in place with the City, as far as, winter and summer. A lot of times our storage program is critical for all our members. The most inopportune times to change providers is fall and spring.

Gas Authority is directed by eight-one (81) members and hopefully Cordele will be eighty-two (82), if you all consider to join in the future. Gas Authority will work through the numbers and make sure their due diligence is done and the City of Cordele staff will do their due diligence and at some point, Gas Authority can recommend to the City, membership into the Gas Authority. We are looking at possibly, March or April, timeframe of joining the Gas Authority, if the vote is there. If for some reason the City does not like the Gas Authority, they can terminate their Contract in five years, this is the Gas Authority guidelines.

Commissioner Owens: “Based on what we see here, this is estimated on what Cordele consumed now, as far as, gas?”

Mr. Groom: That is what you purchased. The reason I am hired on to Gas Authority is to make sure you grow your system.

Commissioner Rainey: “I have a question on supply, I have heard that we have supply issues, availability, volume amount of gas that can be distributed here. Is it our infrastructure or the gas provider, is that our supply issue?”

Mr. Groom: It is the molecule itself, it is the physical restraints, not only on southern natural on this lateral. If you are in Atlanta, it is a main gas line that runs from Louisiana to New York; it is a big 48” diameter, multiple pipes. They ran the gas lines in the late 50’s, early 60’s or we would not have natural gas, but when they ran it, they ran a depleted system at that time. The lateral is kind of spread out. To the Gate Stations, it is still very limited. It is not the gas supply, it is the capacity, it is the pipe that southern natural has that serves this lateral. To answer your question, it is an issue, but it is an issue solved when you do land and industrial customer.

Rusty Bridgers – Finance Director: “How do we navigate that, getting built for a new industrial customer, whose pipeline?”

Steve Fulford – Public Works Director/Asst. City Clerk: “We do not have the capacity to survey each natural gas customer.”

Mr. Groom: Again, disbursing will be the difficult part.

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City Manager Angela Redding: “We’ve had discussion regarding two items; (1) storage, can you explain about storage. Our current program that we have, we have storage in two states that I am aware. Can you explain about storage and if we were to join Gas Authority; how would that affect the storage that the City has? Secondly, regarding property taxes for storage, because currently where we have gas stored, we pay property taxes in those states. Can you explain this?”

Mr. Groom: We are little bit different the way we treat our storage. I will tell you how we do it and then I will tell you what I kind of think you are doing today. Storage is an asset; you have these old salt domes that you can actually put gas in during the summer and take it out during the winter. It really helps, structurally, your system to operate, because on cold days, you really want to take that gas out. The salt domes are in Mississippi and Louisiana. But what we do is a price arbitrage and we go ahead and lock in that \$.40 for you in that storage, it is a guarantee. The last twenty-five years our Cities are guaranteed that \$.40, no matter what the market throws at you, you get your \$.40, that is about \$40,000 for the City of Cordele, guaranteed, locked in. That is our board’s mentality, made up of Cities, we want that guarantee. It is still your storage program, we just manage that price arbitrage, so we guarantee you that \$40,000 every year in your storage program. We still use your storage as a physical asset, to make sure you meet your daily needs in the winter. You all have about 80,000 in storage, this is where I got the \$40,000.

City Manager Angela Redding: So, if we were to join the Gas Authority, the storage will be the City of Cordele storage?

Mr. Groom: If you join us and left us after, it is still your storage.

City Manager Angela Redding: No, I am saying, if we were to join Gas Authority, the current storage that we have, how is that handled?

Mr. Groom: When members join in the middle who has storage, we go ahead and write a check for the storage. That is why it is good to start membership in October or April, normally the storage has depleted, it is zero.

City Manager Angela Redding: The second question regarding property taxes, because right now, we pay property taxes in two states, I think it is Alabama and Louisiana for storage.

Mr. Groom: The Gas Authority takes about \$3,000 of what you are making in that price arbitrage and pay those property taxes, so you will not have to deal with it. You all will not get the property tax bill; Gas Authority will get the bill.

City Manager Angela Redding: One thing on the schedule that you mentioned that I am aware of, is the assistance in Economic Development because I know you all work with ECG and I think you stated that you all have a seat at the table for Economic

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Development, so that when companies are looking at Georgia when it comes to gas, then if Cordele is a member of the Gas Authority, then we would be represented.

Mr. Groom: When outside companies come to Georgia to look at site locations, we want our Cities to be right there, up in front with City of Atlanta, all the big providers. We have some great marketing programs. We have on bill finance, which is zero interest loans for your customers, that is a huge benefit. So, you can get up to \$7500 for your customers at zero interest, for them to install natural gas appliances. The Gas Authority finance it, zero percent, put it on the Cordele bill, it will be on the customer's utility bill for up to sixty (60) months. Our board set aside \$5,000,000 for that.

Commissioner Rainey: After listening to you, it sounds like this can add some stability to our gas system and gas billing.

Mr. Groom: I will offer my help to the City, free of charge, then we look at April 1, 2024 membership. I would like to help you all free of charge.

2. Discussion – Property Taxes – Government Tax Solution (GTS) Representative, Wendell Bullock.

City Manager Angela Redding stated that the City has discussed property taxes, delinquent taxes. I reached out to GTS to come and make a presentation on how they can help the City regarding delinquent property taxes.

Mr. Bullock elaborated on the proposal to the City of Cordele on collecting delinquent property. Steps to collect delinquent taxes: tax sale procedures, FIFA (Fieri Facias), authority to sell, issuance and recordation of FIFAs, Levy, advertising, 10-day notice to owner, tax sale, payment, sale closing, payment of excess funds, right of redemption and the amount payable, notice of foreclosure of right to redeem.

The City will not be charged, this is all included in the collection.

The customer will contact City of Cordele with questions regarding the property taxes, current balance on taxes.

NOTE: See Proposal for Delinquent Tax Collection Services for the City of Cordele.

3. Discussion – Juvenile Crime/Public Safety Committee
 - a. Frequency of Meetings: Starting with Monthly Meetings and the Committee will decide of the frequency of the Meetings.
 - b. In-Person and Via Zoom: City Attorney Tommy Coleman stated in-person meetings are required by law, they can virtual attend twice a year, if they are out of the jurisdiction or sick.
4. Adjournment: Commissioner Shephard moved to adjourn the Work Session at 11:41 AM; seconded by Commissioner Rainey; the motion was approved by the Commission.