

MINUTES
OF THE
BOARD OF MAYOR AND ALDERMEN

DECEMBER 10, 2009

The Board of Mayor and Aldermen of the City of Henderson, Tennessee met in regular session on Thursday, December 10, 2009 at 7:00 P.M. in the Council Chamber of the City of Henderson City Hall. Present and presiding was Mayor Robert W. (Bobby) King and the following:

Aldermen: Robert C. (Bobby) Barnes, Johny R. Farris, Tim Faulkner,
Buel Maness and Keith Smith.

Absent: Mike Phelps

There also present were: City Attorney Jerry Spore, City Recorder Jim E. Garland, Police Chief Tommy Davis, Public Works Director Jerry King, Building and Zoning Official Brent Beshires, Utility Director Mark Elkins and Fire Chief Glenn Bryan.

Alderman Keith Smith gave the invocation and Alderman Tim Faulkner led the Pledge to the Flag. The following proceedings were entered here-to-wit:

The minutes of the previous meeting of the city board were presented for approval. There being no questions or corrections, motion was made by Ald. Smith, duly 2nd by Ald. Maness to approve the minutes as prepared. Motion carried.

The accumulated accounts were presented for informational purposes and the board was asked if they had any questions concerning the accounts. There being no questions about the accounts, the meeting continued.

Delegations were called for by Mayor King. There being none, the meeting continued.

Mr. Mike Hewitt of Alexander, Thompson and Arnold, CPAs was to appear to discuss the annual audit for year ending June 30, 2009 but due to a conflict, Mr. Hewitt would appear at the January meeting.

The city received a CDBG Grant in the amount of \$200,000 to fund the sewer extension for the Old Jacks Creek Road area. This was discussed by the board at the previous meeting but the board members wanted more information before approving the project design. Present at tonight's meeting was Bob Thornton from Nelson and Thornton Consultants that applied for the grant as well as Barry Alexander of Neel-Shaffer Engineers who performed the preliminary engineering on the project. Also present at the meeting was Anthony Bolton who owned a 5 ½ acre tract of land on the south side of Jacks Creek Cove. Mr. Bolton addressed the board stating that he planned on developing the site into 14 housing lots as soon as the sewer was available.

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Mr. Bolton stated that he was told at the time of annexation that sewer would be made available to this property.

Mr. Bob Thornton addressed that board stating that under the grant application that 100% of the existing homes would be hooked up under the program. This is not dependant on the household income. This would cover the physical hook up to the sewer as well as the tap fees. The customer would only be responsible for the monthly sewer fee. Any new construction in the area would be required to pay the existing standard tap fees and hire their own contractor to do the physical hookup. When asked by Ald. Smith, Mr. Thornton explained that the grant was awarded to the target area and the city must provide sewer service for the entire target area or they city could lose the grant funding.

Mr. Barry Alexander presented his latest construction estimate. The total project cost was estimated at \$403,500 and the grant would pay \$200,000 of that. The project would serve at total of 15 existing homes. The project was discussed and Mr. Alexander stated that there is growth potential on the north side of SR100 and the sewer being installed in this area could easily handle all the growth. The system on the south side (next to the river) was limited by the pump system being installed and it could only handle only an additional house or two but there was no real growth potential in this area due to the grade of the land.

Ald Smith stated that when the city annexed the area, it promised the area sewer and he felt we had no alternative but to provide it. Ald. Barnes questioned as to where the local funds would come from. Recorder Garland explained that the city borrowed \$1.0 million from the 2008 TML Loan, of that amount; \$500,000 was pulled for the Tech Center. The remaining \$500,000 was earmarked for utility projects with the first priority being the Jack Creek Road Sewer Project. The money is only drawn as needed. Recorder Garland explained that everyone inside the city must pay a sewer bill even if they have not hooked to the sewer. This is a requirement of state law.

After considerable discussion, motion was made by Ald. Farris, duly 2nd by Ald. Faulkner to proceed with the project. Motion carried.

UD Mark Elkins presented a report/information sheet on the status of the utility department fleet. He was asking to purchase four new trucks on a lease purchase agreement including 2 Ford Ranger sized trucks, 1 - ½ ton pickup truck and 1 - ¾ ton 4x4 pickup. He went on to say that the gas department was going to receive a settlement from Tennessee Gas Pipeline for PCB cleanup in the amount of \$15,000 per year. He planned on using these funds to pay for the lease on the new trucks but this would not be appropriate to use gas funds to pay for trucks used in the water/sewer department. The recommendation was to pay for two trucks out of the PCB Settlement Fund or roughly \$8,000 to \$9,000 per year and the other two would be paid out of the water and sewer fund cash in the amount of approximately \$8,000 to \$9,000 per year. After due discussion, motion by Ald. Faulkner, duly 2nd by Ald. Smith to authorize Mr. Elkins to take bids on the lease of four new trucks and to report the bid results back to the board for consideration.

Mayor King advised the board that a Planning Session would be held on January 5th at 6:00 PM to discuss several items including fire department radios and several utility projects. He asked the board members to bring any items that they wanted to discuss to the meeting. He also asked them to notify Recorder Garland if they wanted any other department heads to attend the meeting.

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Mayor King also reported that he attended the TML District Meeting recently and they were really concerned about the \$1.0 to \$1.5 billion shortfall projected in the state budget. Anytime this type of shortfall happens at the state level, there is a potential that they may cut state shared funds coming to the city. Mr. King also advised the board that Recorder Garland and Clerk Lisa Stanley would be attending a meeting on Jan 13th concerning the retirement system matching rate. The new rate would go into affect on July 1st and the city is concerned about a substantial increase that would affect next year's budget.

Mayor King wanted to thank all the volunteers that helped decorate the City Hall for the holidays. He specifically named city employees Lisa Stanley, Sheila Hill, Darian Leath and Angie Hysmith who volunteered and worked many hours on weekends to complete the decorations.

UD Mark Elkins advised the board that the utility department had begun taking credit card payments by phone for utility bills. Mr. Elkins also presented to the board a new service log to show the board the number of utility turn ons, turn offs, leak checks, re-read of meters, cut-offs, reconnects, service repairs, pilot lights lit, and gas inspections.

Police Chief Tommy Davis reported on the bids received for the new patrol car and the portable radios. Dwain Seaton Ford got the bid on the car for \$22,939 while B & E Electronics was the only bid on the radios. He also reported that the department purchased the utility vehicle on the grant. The Kubota model was approximately \$2,000 cheaper than the other models.

There being no other business, motion by Ald. Farris, duly 2nd by Ald. Faulkner to adjourn. Motion carried.

Signed: Robert W. King

APPROVED: _____
MAYOR

Signed: Jim E. Garland

ATTEST: _____
CITY RECORDER