

MINUTES
OF THE
BOARD OF MAYOR AND ALDERMEN

JUNE 9, 2011

The Board of Mayor and Aldermen of the City of Henderson, Tennessee met in regular session on Thursday, June 9, 2011 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, Michael Phelps and Keith Smith.

Absent: None.

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

Alderman Buel Maness gave the invocation and Alderman Keith Smith 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. Faulkner, 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. Ald. Smith had a question about the paving on Wilson School Road and it was explained that this was a short section in the city limits up to Hwy 45. Part of the section had been completed a couple of years earlier and this completed the section that was in the city. There being no other questions concerning the accounts, the meeting continued.

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

The first item to be discussed was an amendment to the current year (2010-2011) budget. Recorder Garland explained the reasons for the amending ordinance pertaining to cost overruns and the Arvin Sango site Fast Track Grant. The ordinance and the detailed line item amendments are as follows:

ORDINANCE NO. 464 .

AN ORDINANCE OF THE CITY OF HENDERSON AMENDING THE 2010-2011 GENERAL FUND BUDGET TO REFLECT ADDITIONAL REVENUES AND EXPENDIUTIES.

BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF HENDERSON, TENNESSEE, THAT:

Minutes – June 9, 2011 (Cont'd)

SECTION I. Total revenues and available funds and expenditures have been amended to the follow amounts.

GENERAL FUND: REVENUE

New Revenue -----\$ 2,605,750
Fund Balance (Projected)-----\$ 850,000
TOTAL GENERAL FUND REVENUE --\$ 3,455,750

GENERAL FUND: EXPENDITURES:

Financial Administration-----\$ 276,700
General Government -----\$ 124,500
Police Department -----\$1,323,730
Fire Department -----\$ 422,530
Building Inspection -----\$ 87,950
Emergency Management -----\$ 20,250
Streets and Highways -----\$ 566,500
City Maintenance Shop -----\$ 137,100
Landfill (Closed) -----\$ 20,000
Cemetery -----\$ 22,250
Rabies and Animal Control -----\$ 35,650
City Park -----\$ 57,700

CONTRIBUTIONS:

CC Senior Citizens ----- \$ 2,000
CC Dixie Youth -----\$ 2,000
CC Library -----\$ 4,000
Exchange Club/Carl Perkins\$ 2,000
Project Graduation -----\$ 500
CC Imagination Library ---\$ 500
AYSO Youth Soccer-----\$ 300
CONTRIBUTION TOTAL-----\$11,300
Undesignated Reserve -----\$ 349,590

TOTAL GENERAL FUND EXPENDITURES-\$ 3,455,750

INDUSTRIAL PARK FUND: REVENUE

New Revenue-----\$ 310,000
FastTrack Grant for Arvin Sango---\$ 552,000
Fund Balance (Projected)-----\$ 340,000
TOTAL IND PARK FUND REVENUE --\$ 1,202,000

INDUSTRIAL PARK FUND: EXPENDITURES

General Expenses -----\$ 72,950
Contribution-CC Chamber of Com\$ 15,000
Undesignated Reserve -----\$ 252,050
Arvin Sango Site Improvements ---\$ 552,000
Transfer to General Fund -----\$ 40,000
Transfer to Debt Service Fund -----\$ 270,000
TOTAL IND PARK FUND EXPENDITURES --\$ 1,202,000

DEBT SERVICE FUND: REVENUE

New Revenue -----\$ 0
Transfer in from IP Fund -----\$ 270,000
Fund Balance (Projected) -----\$ 330,000
TOTAL DEBT SERVICE FUND REVENUE --\$ 600,000

Minutes – June 9, 2011 (Cont'd)

DEBT SERVICE FUND: EXPENDITURES

Principal and Interest Expense ----\$ 411,350
 Reserve Funds -----\$ 128,650
 Reserve for Fire Truck Pay-off ----\$ 60,000

TOTAL DEBT SERVICE FUND EXPENDITURES --\$ 600,000

SECTION II. As part of this ordinance the attached line item amendments (see Exhibit "A") shall be made in order reflect additional revenues and to cover additional expenses in the General Fund.

SECTION III. BE IT FURTHER ORDAINED this ordinance shall take effect immediately upon final passage, the public welfare requiring it.

Expense Accounts:	<u>Budget</u>	<u>Change</u>	<u>New Budget</u>
110-41000-999 Capital Outlay – Unclassified	375,539.86	(25,950.00)	349,589.86
110-41100-252 Legal Fees	10,000.00	5,000.00	15,000.00
110-41500-245 FA- Mayor/Judge/Recorder Cell Phones	1,600.00	300.00	1,900.00
110-41810-249 GG – Utilities for City Hall	30,000.00	4,000.00	34,000.00
110-42100-216 PD – Radio Dispatchers	170,000.00	9,000.00	179,000.00
110-42100-799 PD – Misc Expense	2,000.00	250.00	2,250.00
110-42200-245 FD – Telephone Expense	3,300.00	500.00	3,800.00
110-42500-261 CCEMA – Siren Maintenance	3,500.00	1,500.00	5,000.00
110-43100-342 ST – Signs and Other Expense	5,000.00	2,000.00	7,000.00
110-43170-249 Shop – Utilities	7,600.00	3,400.00	11,000.00
123-47400-998 IP – Arvin Sango Site Improvements	0.00	552,000.00	552,000.00
211-49600-510 Insurance on SWHRA Buildings	0.00	2,500.00	2,500.00
211-49000-999 DS Funds in Reserve	131,150.00	(2,500.00)	128,650.00
Revenue Accounts:			
123-33400 FastTrack Grant for AS Site	0.00	552,000.00	552,000.00

After due discussion, motion was made by Ald. Farris, duly 2nd by Ald. Barnes to pass the ordinance to amend the 2010-2011 Budget (Ordinance #464) on the first reading. Upon a roll call vote the following was cast:

Ayes: Robert C. (Bobby) Barnes, Johny R. Farris, Tim Faulkner, Buel Maness,
 Michael Phelps and Keith Smith.
 Noes: None.

The vote being unanimous, motion was made by Ald. Barnes, duly 2nd by Ald. Smith to pass Ordinance #464 on the second/final reading. Upon a roll call vote the following was cast:

Ayes: Robert C. (Bobby) Barnes, Johny R. Farris, Tim Faulkner, Buel Maness,
 Michael Phelps and Keith Smith.
 Noes: None.

Therefore Mayor King declared the Ordinance #464 duly passed and the 2010-2011 Budget duly amended.

Minutes – June 9, 2011 (Cont'd)

A resolution amending the Building Permit Fees (Resolution No. 2011-004) was presented to the board for consideration as follows:

**RESOLUTION NO. 2011-004
BUILDING AND RELATED CODE FEES
EFFECTIVE: JULY 1, 2011**

A RESOLUTION TO APPROVE THE SCHEDULE OF PERMIT FEES FOR CONSTRUCTION WITHIN THE CITY AND THE PLANNING REGION OF THE CITY OF HENDERSON, TENNESSEE

BE IT RESOLVED BY THE CITY OF HENDERSON BOARD OF MAYOR AND ALDERMEN THAT:

The following permit fees are required for all new construction, accessory buildings, alterations and renovations, etc. This shall include permits required under the Building Code, the Mechanical Code, the Plumbing Code and the Property Maintenance Code.

Regarding the valuation (cost), the city reserves the right to require a detail breakdown of cost if the valuation (cost) is less than the average for the type construction and occupancy involved.

TOTAL VALUATION (COST)

FEE

All Accessory Buildings with a cost of less than \$2,000	\$10.00 Permit Fee
All other Construction, Alterations, Renovations, etc. with a cost of \$2,000 or less	No Fee, unless an inspection is required in which case a \$25.00 fee shall apply.
\$2,001 to \$50,000	\$25.00 for the first \$2,000 plus \$5.50 for each additional thousand or fraction thereof, to and including \$50,000.
\$50,001 to \$100,000	\$289.00 for the first \$50,000 plus \$4.50 for each additional thousand or fraction thereof, to and including \$100,000.
\$100,001 to \$500,000	\$514.00 for the first \$100,000 plus \$3.50 for each additional thousand or fraction thereof, to and including \$500,000.
\$500,001 and up	\$1914.00 for the first \$500,000 plus \$2.50 for each additional thousand or fraction thereof.
Re-inspection Fee	\$25.00

PLANS REVIEW FEES

When the valuation (cost) of any construction, other than one or two family dwellings, exceeds \$250,000, the project is subject to a plans review fee. Said fee is equal to twenty-five (25%) of the required permit fees with a maximum of \$2,000.

SWIMMING POOL PERMIT FEES

Swimming Pool Permits are required for all pools over 24 inches deep.
All Pools (Commercial and Residential) All Types (In Ground or Above Ground)
Permit Fee ----- \$ 50.00

Minutes – June 9, 2011 (Cont'd)

HOUSE MOVING PERMIT FEES

House moving permits are applicable to houses being relocated and set up in the Planning Region. Houses, which are permitted to be moved within or into the Planning Region must meet the minimum requirements of the approved Codes.

House Moving Permits	\$100.00
House Foundation Permits	See Building Permit Fees
Bond for Moving though City Streets (City Only)	\$5,000.00
Escort Permit (City only if needed)	At discretion of the Police Chief

PENALTIES

Where work for which a permit fee is required by this resolution is started or proceeded prior to obtaining said permit, the fees herein specified shall be doubled, but the payment of such double fee shall not relieve any persons from fully complying with the requirements of this code in the execution of the work nor from any other penalties prescribed herein.

BE IT FURTHER RESOLVED THAT THE FEES SET FOR IN THIS RESOLUTION SHALL TAKE EFFECT ON JULY 1, 2011. THE PUBLIC WELFARE REQUIRING IT.

Building Official Brent Beshires explained that this amendment was a result of the change passed last month on the accessory buildings and uses. In order to control the location and the use of accessory buildings, a permit needs to be issued on such buildings. The present fee schedule exempts accessory buildings with a value of less than \$2,000. Many of the buildings the city was having trouble with were valued less than \$2,000 so no permit was required. The proposed amendment above required a minimum \$10.00 permit for accessory buildings costing less than \$2,000. There also were some small minor wording changes in the resolution. Ald. Barnes questioned Mr. Beshires on the wording to make sure we were not changing our policy on not requiring permits for maintenance items. Mr. Beshires stated that any item that is considered maintenance does not require a permit. After due discussion, motion was made by Ald. Barnes, duly 2nd by Ald. Faulkner to adopt Resolution 2011-004 "Building and Related Code Fees". Upon a roll call vote the following was cast:

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

Noes: None.

Therefore Mayor King declared the Resolution 2011-004 duly adopted and the Building Permit Fees amended.

Employee pay raises had been discussed in depth at several budget meetings over the past couple of months. A Resolution (#2011-005) approving a two percent cost of living raise and step raises for city employees was presented for consideration to the board as follows:

RESOLUTION # 2011-005 with 2% Raise

WHEREAS, the Board of Mayor and Aldermen met as a committee to conduct a study and review of the salaries of it's employees pursuant to Section 4-222 of the Henderson Municipal Code; and,

Minutes – June 9, 2011 (Cont'd)

WHEREAS, the Board of Aldermen met with each respective department head to consider the salary and wage rates of each employee in their respective department; and,

WHEREAS, the said board considered and reviewed the recommendations made by each department head for their employees as well as the budget constraints,

NOW BE IT THEREFORE RESOLVED by the Board of Mayor and Aldermen that:

SECTION I. All full-time employees and all part-time employees shall be given a 2.0% Cost of Living Adjustment (COLA). City Hall Maintenance employee Ed Braun shall be given the COLA and a step raise to a new hourly rate of \$12.00 per hour.

SECTION II. Several employees are due step raises as part of approved Pay Scales, therefore as part of this Resolution; Exhibit A - Pay Scale for the Utility Department, Exhibit B - Pay Scale for the Public Works Department, Exhibit C - Step Raises for Certifications for the Building and Zoning Official and Exhibit D - Department Head Pay Scale are hereby adopted.

SECTION III. All Full Time Employees are to receive Christmas Bonus Pay based on the number of years of continuous employment with the city in the amount of \$50.00 per year with a minimum of \$100.00. All Part Time Employees are to receive \$100.00 flat Bonus Pay. This Bonus Pay shall be paid in one lump sum on or about December 1, 2011. In order to receive the Christmas Bonus based on years of service, an employee must be on the payroll in some "pay" status (working, annual leave, sick leave or workman's comp. leave) on December 1st of the current year. The amount paid is based on the number of total years completed as of December 31st of the current year.

BE IT FURTHER RESOLVED that all pay raises and title changes stated in this resolution become effective with the payroll period beginning June 27, 2011.

Motion was made by Ald. Barnes, duly 2nd by Ald. Smith to adopt Resolution No. 2011-005 on employee raises. Upon a roll call vote the following was cast:

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

Noes: None.

Therefore Mayor King declared the Resolution No. 2011-005 duly adopted and the pay raises approved.

The 2011-2012 Budget and Tax Rate Ordinance was presented for consideration on the first reading. The proposed tax rate remained the same at \$1.22 per \$100 of assessed value. Detailed line item budgets were provided to the board members as well as department heads in their packets on Tuesday prior to the meeting for review. Recorder Garland explained to the board that the budget was amended slightly since the last budget meeting. The major changes were increases in utilities for city hall and maintenance shop, planning fees and tipping fees in the sanitation department. Recorder Garland stated that he would be happy to answer any questions the board might have.

Mayor King addressed the board with more detailed information on the planning fees. Governor Haslam and his cabinet made a decision to discontinue the Local Planning Office of Economic and Community Development. Local governments had been using the Planning Office for planning services for 40+ years. The state is providing a one time cash grant of \$4750

Minutes – June 9, 2011 (Cont'd)

to each city or county that had planning contracts through Local Planning as long as they spend at least as much on planning services in the coming year as they did in the current year with the Local Planning Office. The Southwest TN Development District is studying providing planning services for the southwest counties and towns. This would be a total of 2 counties and 10 towns that have contracts with Local Planning. The SWTDD wants to hire some of the state planners that are going to be losing their jobs at the end of July. The proposed fee, even with the one time grant funds is going to be higher than we had been paying for planning services. It would be approximately \$13,000. The other option would be for the city to hire a private consultant to provide these services. Mayor King stated that he did not have enough information to make a recommendation tonight but a decision would have to be made prior to the next meeting. After due discussion, motion was made by Ald. Farris, 2nd by Ald. Barnes to authorize Mayor King to make a decision on planning services for the coming budget year. This approval was for a one year contract only. Motion carried.

There being no other discussion on the 2011-2012 Budget and Tax Rate Ordinance. Motion was made by Ald. Faulkner, duly 2nd by Ald. Smith to approve the ordinance as prepared on the first reading. Upon a roll call vote the following was cast:

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

Noes: None.

Mayor King declared the ordinance passed on the first reading. A public hearing on the proposed budget must be held before the ordinance can be considered on the final reading. This will take place at the July meeting of the board.

The matter of the replacement of the curtain at the East Lagoon was discussed. This might be funded with money from FEMA since the damage was caused by recent flooding but at this point there is uncertainty on this matter. Mayor King asked that the matter be tabled until more information could be obtained. Motion by Ald. Barnes, duly 2nd by Ald. Faulkner to table this matter until a later date. Motion carried.

A Utility Budget Meeting was set for Thursday, June 30th at 6:00 PM.

The next item to be discussed was the Audit Contract for Year Ending June 30, 2011. Recorder Garland explained that Alexander, Thompson and Arnold PLLC (ATA) had been performing the audit for many years and they do a good job. He had provided to the board in their packets, a history of the audit fees from ATA. This years increase was reasonable at 4% over last year. Motion was made by Ald. Farris, duly 2nd by Ald. Smith to award the contract to ATA. Motion carried.

The traffic signal project at E. Main and Mifflin was still awaiting approval from TDOT. Recorder Garland also advised the board that the lead time on the equipment and poles is 90 days after the notice to proceed is given to the contractor

The Jacks Creek Sewer Project was on hold pending an appraisal for one of the easements. The owner does not want to give or sell the easement. This may require some court action to determine the final compensation for the easement.

Minutes – June 9, 2011 (Cont'd)

A lengthy discussion took place on the upcoming changes to the garbage collection and tipping fees as well as recycling. As presented last meeting, the county gave the city a letter stating that they are planning on charging the city the cost of transportation of garbage (hauling) to the receiving landfill. The city and county had an agreement on the tipping fees since 1992. In this agreement, the city did state it would pay the tipping fee charged by the receiving landfill for the garbage delivered to the transfer station by the city sanitation trucks. In this agreement, the county agreed to pay for the hauling. Due to a six month clause in the agreement, the county can not make changes until November 2011. If the city is required to pay for the hauling, it would cost the city sanitation customers approximately \$35,000 extra per year. This is a 48% increase in what the city is paying now. As a possible alternative to the charge for hauling, the city is studying starting a recycling program. After several weeks of notices and articles in the newspaper, the city has had 54 households interested in recycling to date. Mayor King advised the board he plans on continuing to push the recycling program until the July 14th meeting, at which time he will ask the board make a decision about the viability of the program.

Ald. Faulkner questioned how the county determined the amount of garbage that was from the city. The County Sanitation Department has no scales to measure the garbage weight. Several waste haulers dump in the “city’s bin” and their weights are estimated and then deducted from the city’s tipping fees. The bins are weighted at the receiving landfill. Board members wanted more exact weights if we are going to have to pay more. Board members had issue with the city residents being charged extra for the hauling when the county residents are not paying any additional fees for this service. The County Sanitation Department is being funded from General County Revenues in which the city residents also pay. This may be legal but it doesn’t seem right. Ald. Smith made comments about the amount of garbage that was collected at the county schools. This cost the city both in the 5 day a week pickup plus the tipping fees. Mayor King stated that it appears that the city had three options:

- 1) Start a Recycling Program
- 2) Take the increase due to the hauling and pass it on to the customers.
- 3) Out source to a private firm for garbage pickup.

Each one of these options, were discussed by the board. No action was taken but the matter would be studied further.

Building Official Brent Beshires advised the board that he was preparing letters to be sent out on the PODS, Travel Trailers and Tractor Trailer Bodies that are being used illegally in the city as accessory buildings or as living quarters. He wanted the board to be aware of this and he asked for their support in this enforcement effort.

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

Signed: Robert W. King

APPROVED: _____
MAYOR

ATTEST:

Signed: Jim E. Garland

CITY RECORDER