

MINUTES

CITY COUNCIL MEETING

July 10, 2008

PRESENT: **Dean Lay**
 Marilyn Nixon
 Lexie Orr

This meeting of the Monteagle City Council was called to order at 1:06 PM by Vice Mayor Dean Lay.

The following items were discussed:

- 1. LIST OF PAYEES THAT ARE PRE-APPROVED – The council reviewed a list of payees that were presented by the city recorder. Ald. Orr made a motion that these names be approved for payments without requiring approval by the city council. Ald. Nixon seconded the motion which passed 3/0. A copy of that list is attached to these Minutes.**
- 2. ORDINANCE NO. 08-21 – Second Reading – This ordinance establishes classifications and user assessment fees for utility customers. Ald. Orr made a motion to approve this ordinance on second reading. Ald. Nixon seconded the motion and it passed 3/0 on roll call vote. The third reading and the public hearing for this ordinance will be held on July 14, 2008.**
- 3. SRF LOAN – Jim Boynton explained the process for an SRF loan. This will be discussed further at the Public Hearing on July 14th.**
- 4. SEWER PLANT CONTRACT – Ald. Lay asked city attorney Bill Killian to comment on the contract with Hailey Engineering. There was a discussion about the city hiring someone to oversee the project. It was agreed that the city could do this as long as that person does not interfere with the design. Mr. Pelham was asked about the total dollar amount and stated that the bottom line is \$3.7 million. He said \$3.125 million of that amount will be for construction and the rest will be for design, inspection, surveying, and contingency. Ald. Lay**

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asked Mr. Killian if he recommended that we sign the contract as it is written and Mr. Killian said he did not. He will get with someone from Hailey to make the changes needed before the contract is signed.

- 5. GAS SYSTEM – There were four proposals for the purchase of the natural gas system. Sequachee Valley and Marion County Natural Gas bid together on the gas system. Their bid was \$300,000.00. Elk River Utility District bid \$110,000.00. Marion County Natural Gas put in a bid by themselves with no amount in it - but stated that it would be at least as high as the highest bidder. Middle Tennessee Natural Gas put in a bid of \$680,000.00. Jim Boynton recommended that the system be sold to Middle Tennessee Natural Gas. Bill Killian recommended that the city have Marion County Natural Gas sign a release before we finalize the sale of our system. Mr. Killian was asked for a time frame in which this would all occur and said he felt it could be done within the next sixty days. Ald. Orr made a motion to approve the RFP from Middle Tennessee Natural Gas and instruct the city attorney to proceed with a contract for the sale. The motion was seconded by Ald. Nixon and passed 3/0.**
- 6. TELEMETER – The telemeter at the water tank behind the 911 building was struck by lightning. There were two bids to replace it. One from Thomas Controls for \$6197.50 and one from R & W Contractors for \$3424.17. The council asked Anthony Pelham to look at the bids and make a recommendation. Mr. Pelham said he would need a little time to review the bids.**
- 7. MONTEAGLE ASSEMBLY – Bill Killian asked the council how to proceed with this case where the Assembly is suing the city over our rate structure change that went into effect last year. He said this case is coming up for a docket call on Monday, July 14th, and he needs to know what to do. The council agreed that all efforts to reach an agreement have failed and Mr. Killian should go before the Chancellor and get a court date.**

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- 8. ASSET DOLLAR VALUE FROM DON DARDEN - Tabled until another meeting**
- 9. WATER RATE ANALYSIS – Mr. Boynton said he has determined that the cost of producing our water is \$4.63 per thousand gallons. He recommended changing our minimum from 2000 gallons to 1000. He also recommended that our \$16.90 price for 2000 gallons go to \$18.30. This would create a bill of about \$76.00 for a user with 5000 gallons. This will be discussed at another meeting before passage.**
- 10. COMPUTER FOR INVENTORY – After a brief discussion, Ald. Nixon made a motion to approve up to \$1,000.00 for a computer and printer to keep the city’s inventory on. Ald. Orr seconded the motion and it passed 3/0 on roll call vote.**
- 11. PUBLIC WORKS DIRECTOR – Mr. Boynton’s original contract was for six months. This time was up as of June 30th. Ald. Lay noted that we had done a carry over resolution for the 2007-08 budget and he assumed that Mr. Boynton would still be covered under that until the new 2008-09 budget is passed.**
- 12. CITY JUDGE – The city recorder reported that Mark Raines, the new city judge, has agreed to do June 2008 court for \$300.00, but said after that he would charge \$325.00 per session. Ald. Orr made a motion to approve \$325.00 per session for the new city judge effective as of the August court session. Ald. Nixon seconded the motion which passed 3/0 on roll call.**
- 13. HANNAH PICKETT PLAYGROUND – It was reported that some repairs are needed on the equipment at this playground. Darrell Smith has submitted a proposal to do the labor for \$700.00 with the city buying the material. Ald. Nixon mentioned that it was reported to her that the equipment will need to be sanded before new stain is applied. This proposal includes sanding and sealing according to Mr. Boynton. Ald. Nixon made a motion to approve a maximum of \$700.00 for labor and the city is to provide the material for these repairs. Ald. Orr seconded the motion and it passed 3/0 on roll call.**

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- 14. MOUNTAIN MARKET – Ald. Orr made a motion for the city to continue to provide the same level of support to the Mountain Market as we have in the past. Ald. Nixon seconded the motion and it passed 3/0.**

- 15. ESTATE OF SALLY LADD vs TOWN OF MONTEAGLE – Bill Killian reported that this case is set to go before a mediator next month. This mediator is connected with the lawyers that represent the Monteagle Assembly. He said he knows the man and feels he will do a fair job, but if the city has any objections to having him do the mediation they need to speak up now. The council did not voice any objections. Mr. Killian also said he had received a letter from New Life asking for a completion date for the sewer project. It was discussed by the council and determined that the city could not give them a completion date at this time. Ald. Orr made a motion to have Mr. Killian respond to the letter telling them that the work would be done as soon as possible but that no completion date could be given them at this time. Ald. Nixon seconded the motion and it passed 3/0.**

- 16. MONDAY MEETINGS – Ald. Nixon asked if we weren't obligated to continue the Monday meetings since that was done by a motion. No action was taken.**

- 17. ANTHONY PELHAM – Mr. Pelham said he had been reviewing the bids for the telemeter and found that both of them transmit through a land line. He said he would not recommend that the city continue to use a land line. He will make some recommendations to the city about this at another meeting.**

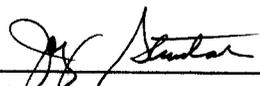
- 18. EMPLOYEE TO REPLACE TERRY TURNER – Mr. Boynton pointed out that Mr. Turner will be retiring the 1st of August and asked the council about replacing him. The council discussed this and noted that the gas system is being sold which should reduce the need for one employee. They took no action at this time.**

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- 19. ACCOUNTS PAYABLE – Ald. Nixon made a motion to approve payment of the bills presented to them tonight. Ald. Orr seconded the motion and it passed 3/0.**

There being no further business the meeting adjourned at 4:07 PM.

Respectfully submitted,



Joy Sturtevant, City Recorder