

## MINUTES

### MONTEAGLE CITY COUNCIL MEETING

July 29, 2008

(Reconvened on July 31, 2008 at Noon)

**PRESENT:** Charles Rollins  
Marilyn Nixon  
Lex Orr

**This meeting of the Monteagle City Council was called to order at 12:00 pm by Mayor Charles Rollins. This meeting was reconvened from the night of July 29<sup>th</sup>.**

**The following items were discussed:**

- 1. CITY ATTORNEY – Bill Killian said that he had talked to TEDC and they say that Sonic is not part of the Agreed Order. However, they will look at whether we have enough reserve to allow this business to connect to the sewer system. He will contact Dr. Urban about this. He also reported that the attorney for the Monteagle Assembly is out of town at this time. Mr. Killian said that he is not familiar with the SRF loan and would talk to them after he has a response from the Assembly's attorney. He stated that Tracy City is contributing to our total daily sewage. SRF wants to know if we are going to renew our contract with them in September. He feels we need to meet with them and resolve all issues involving this contract ASAP. In regard to the natural gas system sale, he is waiting on a call from Mid Tenn's attorney. As to the CDBG grant funds, the matching funds on phase two of the grant must be used for upgrades to STP 2 – this amounts to about \$146,000.00. Mr. Killian said he will contact Rick Hogshead and Neal Westerman regarding the funding our projects. Mr. Killian also reported that he is increasing his hourly rate from \$150.00 to \$175.00 and will need to charge mileage in the future. Ald. Nixon asked when we need to meet with Tracy City. Mr. Killian noted that the contract automatically renews September 1<sup>st</sup> unless we change it before then. Ald. Orr made a motion to authorize Bill Killian to contact the city attorney for Tracy City and set up a meeting to resolve all issues with the contract before September 1<sup>st</sup>. Ald. Nixon seconded the motion and it passed 3/0. Mr. Killian said he feels the Assembly will agree to our schedule of fees and then we would need to amend our contract with them to include that agreement.**
- 2. SALE OF GAS SYSTEM – Ald. Orr asked if the mayor had a plan for allocating revenues from the sale of the gas system to the sewer system upgrades. The mayor said he does not. Ald. Orr made a motion to earmark all assets from the**

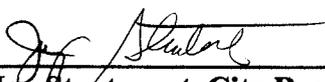
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**sale of the gas system to be applied to the first-need upgrades of the sewer system in order to put us in compliance with the Agreed Order. Ald. Nixon seconded the motion and it carried 3/0.**

- 3. DISCUSSION ON STP 2 – There was a discussion on using funds from the CDBG to do upgrades to STP 2 - approximately \$323,000.00. Ald. Orr made a motion that any funds not spent on other items be used on Phase I of the STP 2 upgrades. Ald. Nixon seconded the motion and it passed 3/0.**
- 4. CHARLES THOMAS – Mr. Boynton has met with Charles Thomas and discussed with him doing some of the work that will be involved in the grinder pump system. Mr. Thomas feels he can save us some money. He will give the council a report.**
- 5. WATER RATES – We need to send a rate schedule to SRF asap. Mr. Boynton said he has contact two companies about doing a rate study. The least expensive was \$15,000.00. He reported that John Hall will see if TAUD can help us with this. Mr. Boynton noted that we do not have to have the new rates in place for SRF until September of next year so no action was needed today on rates.**
- 6. 2008-09 BUDGET – The mayor said he would like the full board to be present to discuss this. Ald. Orr noted that the new budget would include 3% for pay raises. The mayor said he also thinks we need to include a codes enforcement office and a new van. There was a discussion on improvements for the new Sonic. It was stated that the city would have about \$83,000.00 in improvements to make. All of this will have to be included in the budget. There is a 2" line on the Sonic property that will have to be moved.**

**The meeting adjourned at 1:12 pm.**

**Respectfully submitted,**

  
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**Joy Sturtevant, City Recorder**