MINUTES

PUBLIC HEARING

ON \$6.2 MILLION SRF LOAN

July 14, 2008

This Public Hearing was called to order by Don Darden of Municipal Technical Advisory Services at 6:00 PM.

Mr. Darden explained that this public hearing was called to allow the public an opportunity to comment on and ask questions about the city's proposed utility projects which will require borrowing \$6.2 million from the State Revolving Fund.

Mr. Darden explained why it is necessary to do these projects. He stated that the city's sewer lines are clay pipes which were installed in the 1970's. These lines have deteriorated over the years. He also reported that the South Side pumping station is in bad condition, and that the equipment at both sewer plants is old and does not work properly. One of our major problems, he reported, is that surface water drains into the sewer system when it rains and overloads the system which then overflows into a creek without being treated. He stated that the city has been ordered by the State of Tennessee to correct these problems. Failure to comply with this order will result in heavy fines. He then asked the audience for questions or comments and asked each person to state their name and address for the record.

1. Julia Pirtle, 118 North Bluff Drive asked about the grinder pump system. She wanted to know if they operated electrically and what would happen when the electricity goes off. Mr. Boynton explained that each pump will have a reserve capacity of about 30 gallons.

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- 2. Bob Kunkle, 970 White Oak Court, Clifftops, said that he has heard that the cost of these sewer improvements will be added to the cost of all utility customers. He stated that he does not have sewer service and does not feel he should have to pay for the cost of these improvements when he lives outside the city limits and cannot even vote for the city council.
- 3. Marilyn Kunkle, of Timberwood, asked if she has to pay for these improvements even though her water comes from Tracy City and was told that she would be sharing in the cost.
- 4. Michelle Russell asked if the \$6.2 million was just for the grinder pump system and was told that this amount represents the entire project including a new sewer treatment plant. She wanted to know how much these improvements would cost her and was told that the assessment for residential customers is estimated to be about \$9.00 per month. The commercial rate will be about \$17.00 per month per unit.
- 5. Greg Maloof asked what our next step will be and who will install the grinder pumps. Mr. Boynton told him that we will next contact SRF and that the pumps will be installed by the contractor that accepts the job.
- 6. Michelle Russell asked if these projects would allow for growth and was told that they would. Mr. Boynton stated that we will try to expand the system to help pay the costs. She also wanted to know what would be put in place to prevent the city from being in this situation again. Mr. Boynton said the new budget will allow for a Capital Reserve Fund which will help provide money in the future to make improvements as they are needed.

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Dean Lay, 1050 North Bluff Drive, stated that he agrees with the man who lives outside the city limits and cannot vote for the people running for city council. He said this prevents them from having a voice in what the city does. He stated that the city needs to get out of the water and sewer business and have an independent utility district whose officers are elected by the customers. In the meantime, he stated, the city is required to do this work and it has to be funded.

Wayne Davis, 822 Central Avenue, said the city needs to extend the city limits to include the utility area and pass an ad valorem tax on everyone. He felt this was the fairest way to pay for these improvements.

Joy Sturtevant, Laurel Lake Drive, said she wanted to speak as a citizen and not as the city recorder. She noted that she is not on the city's sewer system. She said the city had worked diligently on trying to come up with a fair way of paying for the improvements and that if only the two hundred and sixty-something sewer customers were charged for these improvements it would cost them about \$1500.00 a year each. She said that most of those customers could not afford that amount and that she was willing to pay \$9.00 per month to help her friends and neighbors.

There being no other comments the Public Hearing closed at 6:58 PM.

Respectfully submitted,

Joy/Sturtevant, City Recorder