

**REGULAR MEETING
NEWBERN BOARD OF MAYOR AND ALDERMEN
JUNE 16, 2009
7:00 PM**

The Newbern Board of Mayor and Aldermen met in regular session in the Board Meeting Room at the Newbern Municipal Building. Mayor K.W. Dennison presiding. Aldermen present were Bill Parks, Larry Fesmire, Kathy Clements, Robert Hart and Chris Odom. Also present were City Recorder Jason Roberts, Utilities Office Manager Rosalind Greene and Police Chief Harold Dunivant.

CALL TO ORDER AND APPROVAL OF MINUTES

Mayor Dennison called the meeting to order at 7:00 pm and asked if the Board of Mayor and Aldermen had reviewed the minutes from the May meeting. Alderman Fesmire made a motion to accept the minutes with Alderman Hart second. All voted aye and the minutes were approved.

WELCOME VISITORS AND VISITOR BUSINESS

Mayor Dennison welcomed all visitors and asked if any had business to bring before the board. There were none

OLD BUSINESS

WASTEWATER TREATMENT PLANT CONTRACT

City Recorder Roberts read aloud to the Board a statement which summarized the bid process and the selection process. Recorder Roberts stated that the committee recommends Veterans Management Service to serve as our wastewater plant operator. A motion was made by Alderman Parks to accept VMS as the wastewater operator and approval of entering into contract as such with Alderman Clements second. Roll Call vote; all ayes, No opposed. Motion carried.

NEW BUSNIESS

DELOIS DENNISON

Absent.

BAD DEBT WRITE OFF

Utilities Office Manager Rosalind Green requested permission to write off bad debt in the utilities department. Mrs. Green stated that this was just an accounting process that must be executed yearly. Mrs. Green explained that these accounts will still be actively collected. A motion was made by Alderman Fesmire to approve the write off and seconded by Alderman Hart. All voted aye and the motion carried.

LIBRARY BOARD APPOINTMENTS

Janice Peevyhouse addressed the board and requested approval of Library Board appointments. Dillard Howard would be replacing Jerry Dennison and Serel

Mims and Tom Parnell reappointments. A motion was made by Alderman Hart and seconded by Alderman Fesmire. All voted aye and the motion carried.

PUBLIC WORKS DIRECTOR

Mayor Dennison addressed the board on the hiring of Sandy Hill as the public works director. Mayor Dennison stated that Sandy would remain as the Electric Supervisor and would work with the other departments in this new role. Sandy would be paid an additional \$15,000.00 which would be split between the other funds. A motion was made by Alderman Parks to approve the hire and to work out the pay situation with the auditors and was seconded by Alderman Hart. All voted aye and the motion carried. Sandy Hill addressed the Board and thanked them for the opportunity.

BUDGET DISCUSSION

City Recorder Roberts presented the board with the General Fund Budget Ordinance. Recorder Roberts requested raises and insurance to be clarified in order to finalize the proposed ordinance. Recorder Roberts stated that the insurance increase would be approximately 6%. This amount equated to approximately .22 cents an hour per employee. Recorder Roberts stated that in the budget committee meeting he had presented the budgets with insurance absorbed and the approved step raise of .50 cents per police officer. No other City Employee raise was included. Alderman Parks stated he was against an across the board raise for the city employees. Alderman Parks stated that he felt some areas were under paid and some were not. Alderman Clements stated her frustration in this portion of the budget hearings. Alderman Clements requested a merit style of raise. Recorder Roberts stated that he and the Mayor had begun working on a form of bi-annual evaluation for employees that if approved would alleviate some of the problems. After much discussion on raises and insurance Alderman Parks stated Recorder Roberts had worked over two years and was not topped out. Alderman Parks stated that it was standard to top out employees after two years. A motion was made by Alderman Parks to top out Recorder Roberts and was seconded by Alderman Clements. All voted aye and the motion carried. A motion was made by Alderman Parks to increase Wendi Mills pay to a level equal to City Hall clerical staff. The motion died from a lack of second. A motion was made by Alderman Clements to give all city employees a .25 cent raise and absorb the insurance increase and was seconded by Alderman Fesmire. Roll Call Vote; Alderman Hart - Aye, Alderman Parks - Nay, Alderman Fesmire - Aye, Alderman Odom - Aye and Alderman Clements - Aye. Motion carried 4 to 1. The proposed General Fund Budget Ordinance was presented as follows.

BUDGET ORDINANCE 09/10

AN ORDINANCE OF THE CITY OF NEWBERN, TENNESSEE, ADOPTING A BUDGET FOR THE FISCAL YEAR JULY 1, 2009 THROUGH JUNE 30, 2010.

BE IT ORDAINED BY THE CITY OF NEWBERN, TENNESSEE, AS FOLLOWS:

SECTION 1. A budget consisting of the Available Funds and Appropriations listed in

SECTION 2 AND SECTION 3 below be adopted for the Fiscal Year July 1, 2009 through June 30, 2010.

SECTION 2. The Available Funds for said budget are as follows:

General Fund			
	Local Taxes		1,585,500
	Intra-Governmental Revenue	642,800	
	Fines and Forfeitures		80,100
	Miscellaneous Revenue	267,800	
	Fund Balance		932,004
	Total Available Funds - General Fund		3,525,812
State Street Aid			
	Intergovernmental Revenue	85,000	
	Miscellaneous Revenue	700	
	Fund Balance		76,530
	Total Available Funds - State Street Aid		162,230
Drug Fund			
	Court Fines & Costs		7,000
	Miscellaneous Revenue	2,500	
	Fund Balance		16,080
	Total Available Funds - Drug Fund		25,580
Sanitation Fund			
	Revenues		332,500
	Fund Balance		309,418
	Total Available Funds - Sanitation Fund		641,918
Library Fund			
	Revenues		75,690
	Fund Balance		24,349
	Total Available Funds - Library Fund		100,039

Total All Funds 1,455,616

SECTION 3. Appropriations for said budget are as follows:

General Fund	2,583,568
State Street Aid	85,000
Drain Fund	4,750
Sanitation Fund	332,699
Library Fund	100,935
Total All Funds	3,108,952

- SECTION 4. No Appropriation listed above may be exceeded without appropriate ordinance action to amend budget.
 SECTION 5. A detailed line-item financial plan shall be prepared in support of the budget.
 SECTION 6. All unencumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balance.
 SECTION 7. The appropriations of this budget shall become the appropriations of the next fiscal year until the budget for the next year has been adopted.
 SECTION 8. There is hereby levied a property tax rate of \$1.5087 per \$100 of assessed valuation for the purpose of funding General Fund services.
 SECTION 9. This ordinance shall take effect July 1, 2009, the public welfare requiring it.

A motion was made by Alderman Fesmire to approve the General Fund Ordinance and was seconded by Alderman Hart. All voted aye and the motion carried.

Utilities Office Manager Rosalind Green presented the board with the utilities budgets.

Rural Water

Rural Water rates would need to be increased in order to fund the current budget. Mrs. Green stated that the rates in the Rural Water system had not been raised in four years. The system has been operating in the red for the previous two years. New guidelines from the Waste Water Board state that a system must adequately fund their expenses. If a system operates in the red for 2 years they must appear before this board and risk severe penalties, up to and including being taken over by the state. Mrs. Green proposed the following rates structure. These rates will be presented in a Resolution at the next meeting.

<u>METER SIZE</u>	<u>WATER RATE</u>
3/4" Meter	Base Charge \$7.42 Water Charge \$5.18 per 1000 Gal
1"	Base Charge \$12.72 Water Charge \$5.18 per 1000 Gal
2"	Base Charge \$14.84 Water Charge \$5.18 per 1000 Gal
4"	Base Charge \$23.32 Water Charge \$5.18 per 1000 Gal

TAP FEES

3/4" Water Tap	
Line Side	\$450.00
Road Bore	\$600.00
1" Water Tap	\$100.00
2" Water Tap	\$600.00

A motion was made by Alderman Hart to approve the proposed Rural Water Budget and was seconded by Alderman Fesmire. All voted aye and the motion carried.

Water and Sewer

Mrs. Green stated that in order to fund the Water and Sewer Budget revenues would have to be increased. Mrs. Green suggested taking half of the CMOM money and put into operation funds. This would generate approximately \$125,000.

Recorder Roberts read proposed Ordinance 09/09 which established rates for sewer services and amends sewer service agreement with Jimmy Dean foods. The rate structure is as follows;

	<u>OPERATING REVENUES</u>	<u>CMOM</u>
Residential Customer	\$7.50 / month	\$7.50/month
Commercial Customer	\$15.00 / month	\$15.00/month
Industrial Customer	\$50.00 / month	\$50.00/month

Non Jimmy Dean sewer rate shall be \$5.53 per 1000 gallons.
Jimmy Dean Rate is \$49,076.40 including CMOM expenditure.

A motion was made by Alderman Fesmire to approve the ordinance with Alderman Hart second. All voted aye and the motion carried.

Gas Department

Mrs. Green presented the Gas department Budget which included a reduction in gas cost of approximately 4%. The rate structure is as follows;

URBAN Residential & Small Commercial	
Minimum Bill	\$10.16
All Gas Cost	1.1105 per CCF
Rural Residential & Small Commercial	
Minimum Bill	\$12.25
All Gas Cost	\$1.1105 per CCF
LARGE Commercial & Industrial	
Max Usage 0-10,000	\$208.78 Min Bill
Max Usage 10,001-20,000	\$892.07 Min Bill
Max Usage 20,001-60,000	\$1,520.31 Min Bill
All Gas Cost	1.1105 per CCF

LARGE Commercial & Industrial - Variable Rate	
Max Usage 60,001-100,000	\$7,889.29 Min
All Gas Cost	Variable Rate - Dependent upon NYMEX cost at time of purchase.

A motion was made by Alderman Parks to approve the Gas Budget and was seconded by Alderman Odom. All voted aye and the motion carried.

Electric

Mrs. Green presented the Electric Budget. Rate structure remained the same with no major changes in expenditures. A motion was made by Alderman Parks to approve the Electric Budget and was seconded by Alderman Odom. All voted aye and the motion carried.

S T ENVIRONMENT REPORT

Randy Gregory addressed the Board and presented a good report. Mr. Gregory thanked the board for their relationship throughout their tenure. Mayor Dennison thanked Randy and ST for their service and wished them good luck in future endeavors.

FIRE DEPARTMENT REPORT

Chief Cottrell requested permission to apply for a grant to build a new fire station. Recorder Roberts requested permission to ensure that the grant did not conflict with other grants being applied for. A motion was made by Alderman Fesmire to apply for the grant if no conflict was found and was seconded by Alderman Parks. All voted aye and the motion carried.

POLICE DEPARTMENT REPORT

None

RECREATION DEPARTMENT REPORT

Parks Director Dan Post addressed the Board and stated that the pool was now open and the playground equipment was installed and operational.

STREET DEPARTMENT REPORT

Street Dpt. Supervisor Steve Dodds addressed the board on the Nora Dr. Culvert that was washed away in the downpour. Mr. Dodds stated that the headwall has been poured and this problem should be rectified. Mr. Dodds thanked the police dpt. for helping to protect the American Flags at the cemetery. Curbside was discussed and the ordinance was explained by Recorder Roberts. A motion was made by Alderman Clements to keep up the curbside efforts and was seconded by Alderman Parks. All voted aye and the motion carried.

ELECTRIC DEPARTMENT

New Public Works Director Sandy Hill addressed the board and stated he has been working closely with the McDonalds/Flash Market and helping them all that we could.

GAS DEPARTMENT REPORT

Gas Dpt. Supervisor James Wilkerson addressed the Board and reported 15 line locations for customers, 25 turnoffs for summer and multiple meter rechecks. Mr. Wilkerson stated that he had a repair of a main after a car crash.

WATER & SEWER REPORT


Water and Sewer Supervisor Casey King addressed the Board and stated that the lift station for the McDonalds/Flash Market was being planned and installed. Mr. King also informed the board of tank draining for the upcoming washout and disinfect.

MAYOR'S REPORT

Mayor Dennison asked the board their preference for the required public hearing. Alderman Fesmire stated his preference of Friday of Monday due to his work schedule. It was determined that Monday, June 29 at 6:30 would serve as the meeting date and time.

ADJOURNMENT

There being no further business to discuss, Alderman Fesmire made a motion to adjourn with Alderman Hart second. All voted aye and the meeting was adjourned.


K.W. Dennison, Mayor


Jason Roberts, City Recorder