

**PUBLIC HEARING
NEWBERN BOARD OF MAYOR AND ALDERMEN
FEBRUARY 15, 2011
6:30 PM**

The Newbern Board of Mayor and Aldermen met in called session in the Board Meeting Room at the Newbern Municipal Building. Mayor K.W. Dennison presiding. The purpose of the meeting was to present the status of the order of correction and the CMOM program.

John Lannom addressed the board and covered the current state of the Newbern Sanitary Sewer System. Mr. Lannom stated that this meeting was required by the order of correction currently in place with the City. Mr. Lannom presented a slide show outlining the original state of the system, original plans of correction, improvements to date and the current state of the system. A significant amount of time was spent on the slip lining process implemented by the City. This process is known as CIP or cured in place pipe. This technology allowed the city of Newbern to save in excess of twenty million dollars (\$20,000,000). This technology and its implementation have allowed the City to progress extremely quickly through the order of correction and get ahead of schedule. Mr. Lannom expressed his appreciation of the work done to date and stated that the Newbern system after completion would be a fantastic system that would serve the City of Newbern for years to come.

ADJOURNMENT

With no further discussion, the meeting was adjourned at approximately 7:00pm.

**REGULAR MEETING
NEWBERN BOARD OF MAYOR AND ALDERMEN
FEBRUARY 15, 2011
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 Kathy Clements, Robert Hart, Bill Parks, Larry Fesmire, Bennie Greene and Chris Odom. Also present were City Recorder Jason Roberts, Utilities Office Manager Rosalind Green and Public Works Director Sandy Hill.

CALL TO ORDER AND APPROVAL OF MINUTES

Mayor Dennison called the meeting to order at 7:00 pm and asked Alderman Odom to open with a prayer. Mayor Dennison asked if the Board of Mayor and Aldermen had reviewed the minutes from last month's meetings. Alderman Clements made a motion to accept the minutes and was seconded by Alderman Fesmire. All voted aye and the minutes were approved.

VISITORS AND VISITOR BUSINESS

Mayor Dennison welcomed all visitors and requested anyone with items not on the agenda to approach the board with these items. There were none.

OLD BUSINESS

NONE

NEW BUSIENESS

2009-10 AUDIT PRESENTATION

Kevin Howell with Alexander, Thompson and Arnold addressed the Board and presented an unqualified report. Mr. Howell covered the statement of net assets and statement of activities and stated that the City of Newbern was in sound financial condition. Mr. Howell covered the current litigation presented in the report. The lawsuits presented were First Response, NAPA, Workers Compensation and the Newbern Historic Society. John Lannom was asked to elaborate on the current state of these suits.

First Response. Mr. Lannom stated that the city was in current litigation with First Response over work performed during the 2006 tornado. Mr. Lannom stated that the city maintains that this company overcharged and defrauded the City while performing clean-up work at the Jimmy Dean electric sub-station. Mr. Lannom stated that the majority of depositions had been taken and that the City had attended 2 mediations. The City is confident of its position in this suit.

NAPA. Mr. Lannom stated that the City was sued by Gerald Tidwell over the refusal of a building permit to rebuild the NAPA auto parts store. The suit maintains that the city refused Mr. Tidwell a permit of construction on the NAPA store site in an egregious and capricious manner. Mr. Lannom states that the City requires all commercial construction go before the Planning Commission and present a site-plan. Mr. Tidwell refused to comply with this step and brought suit. Mr. Lannom stated that the City had been declared victorious in Chancery Court and Mr. Tidwell would have to make application with the Newbern Planning Commission as the code implies.

Workers Compensation. City Recorder Roberts stated that the City was currently litigating a suit brought by a former employee for workers comp benefits. Mr. Roberts stated that the suit was being defended by our insurance company.

Newbern Historic Society. Mr. Lannom and Mr. Howell spoke on the current lawsuit with the Newbern Historic Society. Mr. Howell stated that during its audit in 2009 it was discovered that there were two accounts opened in the City of Newbern's tax identification number. Upon further investigation the City discovered that the Owners of these accounts were not the approved signers of the City of Newbern but were individuals belonging to the Newbern Historic Society. The City maintains that all accounts be accounted for in the City's ledger as required by state accounting rules. The City was unsuccessful when demand was made of the group for an accounting and control of the accounts. The City made two written requests and one verbal. Upon advice of counsel and the audit firm the City filed a suit in an attempt to gain control of the accounts. Alderman Odom asked how the City decided who to name in the lawsuit. Mr. Lannom stated that the individuals named were those with ownership control over the monies in the accounts. Mr. Lannom stated that the Newbern Historic Society was not properly registered with the IRS as a 501 C-4 tax exempt entity and in turn could not be named as they do not exist in legal terms. The City has deposited the members of the society and expects the suit to be heard in the near future.

POLICE DEPARTMENT REPORT

Police Chief Harold Dunivant presented the board with the monthly status reports and stated that the department has purchased Tasers and were currently trained and carrying the weapons.

PUBLIC WORKS

Public Works Director Sandy Hill presented the board with monthly status reports and stated that the new generator was online at the waste water treatment plant.

MAYOR'S REPORT


Mayor Dennison congratulated Patrick Williams on receiving the emerging leader award presented by the Dyer County Chamber of Commerce. Mayor Dennison expressed his pride in Patrick and his family and stated that they were asset to our community.

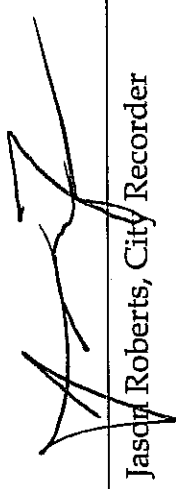
ALDERMAN ELECTION

Alderman Parks requested to be heard and stated his desire to change the Alderman Election back to its original 3 year staggered term. Mr. Parks stated that he felt this was in the best interest of the City. Mr. Parks stated that under our current election makeup the City of Newbern could potentially have six new board members and a new mayor. Staggered terms would allow for 3 aldermen to run every 2 years for a 4 year term. Alderman Hart stated that the board changed the election to save the town money on election costs. Mr. Hart stated that changing the election would be costly to the city. Fireman Doug Tyler addressed the board and said he has recorded the meetings for the town for many years and the intent of the board was not to change the Alderman elections from the staggered terms. Mr. Tyler stated that when the Mayoral election was changed from a two year term to a 4 year term somehow the Alderman were changed in the public act. After much discussion Mr. Parks made a motion to change the elections of Alderman to a staggered 2 year term and was seconded by Alderman Clements. Alderman Hart then requested a roll call vote. The vote went as follows. Alderman Clements - Yes. Alderman Odom - Yes. Alderman Fesmire - No. Alderman Parks - Yes. Alderman Hart - No. Alderman Greene - Yes. The Ayes carried 4 to 2. Recorder Roberts stated that he would prepare a private act to be presented to the State Legislature.

ADJOURNMENT

At 7:50 p.m., there being no further business to discuss Alderman Fesmire made a motion to adjourn and was seconded by Alderman Clements.


K.W. Dennison, Mayor


Jason Roberts, City Recorder