

MINUTES OF MEETING, ATHENS CITY COUNCIL, JANUARY 27, 2010

The Athens City Council met in called session on January 27, 2010, at 6:05 p.m. with Mayor Buttram presiding. The invocation was given by Council Member Davis; upon roll call, the following members were present:

Davis, Jackson, Pelley, Perkinson, Buttram

Also present: Eric Newberry, Athens Utilities Board General Manager and Jill Davis, Athens Utilities Board Superintendent of Water/Wastewater

The following decisions were made and ordered made a part of the records of the Athens City Council.

The purpose of the meeting, as issued in the "Notice of Called Meeting" dated January 26, 2010, was read and made a part of these minutes:

NOTICE OF CALLED MEETING

There will be a called meeting of the Athens City Council on Wednesday, January 27, 2010 at 6:00 p.m. in the Athens Municipal Building Burkett L. Witt Council Chambers located at 815 North Jackson Street. The purpose of the called meeting is to approve a resolution authorizing and providing for the financing of the construction of a wastewater facilities project, including authorizing the execution of applications, contractual agreements, and other necessary documents, and making certain representations, certifications, and pledges of certain revenue in connection with such financing.

/s/

R. Hal Buttram, Mayor

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Mayor Buttram presented a resolution to fund expansion of wastewater service to the Mt. Verd Industrial Park at I-75 and exit 52. According to Eric Newberry, Athens Utilities Board General Manager, this resolution required the Council's immediate attention for ARRA funding. The caption of Authorizing Resolution No. 2010-02 was read by the recording clerk.

AUTHORIZING RESOLUTION NO. 2010-02

"RESOLUTION AUTHORIZING AND PROVIDING FOR THE FINANCING OF THE CONSTRUCTION OF A WASTEWATER FACILITIES PROJECT, INCLUDING AUTHORIZING THE EXECUTION OF APPLICATIONS, CONTRACTUAL AGREEMENTS, AND OTHER NECESSARY DOCUMENTS, AND MAKING CERTAIN REPRESENTATIONS, CERTIFICATIONS, AND PLEDGES OF CERTAIN REVENUE IN CONNECTION WITH SUCH FINANCING."

A motion was made by Council Member Pelley, seconded by Vice Mayor Perkinson, to approve Authorizing Resolution No. 2010-02. Eric Newberry stated that the City of Athens had been offered the opportunity to modify the original SRF/ARRA funding to increase the funding by an additional \$650,000 (additional \$260,000 principal forgiveness) to \$4,740,395 for providing sanitary sewer service to the Mt. Verd interstate connection. Jill Davis distributed copies of a memorandum dated January 27, 2010 that she had given to Mr. Newberry which provided a breakdown of the cost share between the City of Athens, McMinn County, and AUB. Council Member Jackson asked for the definition of “begin construction” as referenced on the second page of the letter from City Attorney Trew to City Manager Moore dated January 27, 2010. Vice Mayor Perkinson asked if a legal opinion was necessary to define “begin construction”. Mr. Newberry explained that originally the term was “shovel ready” meaning the shovel was literally in the ground. The federal government has backed off that requirement. Ms. Davis noted that AUB had already fulfilled that requirement. Mayor Buttram, also referring to the letter from City Attorney Trew, noted that the City Attorney recommended “that the Athens City Council request that the Athens Utility Board accept all of the obligations of the City of Athens in the Loan Agreement by formal Resolution. As a part of the Resolution, the Athens Utilities Board should assume and perform all of the duties and obligations of the City of Athens and indemnify and hold harmless the City of Athens for any payments made, expenses, incurred, or losses suffered by the City of Athens related to the project and Loan Agreement.” A draft of a loan resolution for the Athens Utilities Board prepared by City Attorney Trew was given to Mr. Newberry. Mr. Newberry assured the City Council that the loan resolution would be approved by the Athens Utilities Board at their next business meeting. After brief comments, the motion was approved by the following roll call vote:

AYES: Davis, Jackson, Pelley, Perkinson, Buttram
NAYS: None

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ADJOURNMENT

There being no further business to come before the meeting and upon motion duly made and seconded, the meeting adjourned at 6:23 p.m.

R. HAL BUTTRAM, Mayor

MITCHELL B. MOORE, City Manager