

MINUTES OF MEETING, ATHENS CITY COUNCIL, MAY 15, 2012

The Athens City Council met in regular session on Tuesday, May 15, 2012, at 6:00 p.m. with Mayor Buttram presiding. The invocation was given by Vice Mayor Perkinson; and upon roll call, the following members were present:

Davis, Jackson, Pelley, Perkinson, Buttram

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

- 1 -
MINUTES

The Minutes of the regularly scheduled meeting of April 17, 2012 was submitted and approved by unanimous consent.

- 2 -
COMMUNICATIONS

PRESENTATION OF VIVID AWARD

Council Member Davis presented the *Very Important Volunteer Individual Award* for May 2012 to Jo Long for her outstanding support of this community.

- 3 -

PRESENTATION OF PROCLAMATION – “NATIONAL PUBLIC WORKS WEEK”

Mayor Buttram read a proclamation recognizing the week of May 20 – 26, 2012 as “National Public Works Week”. Shawn Lindsey, Public Works Director, was present to accept the proclamation on behalf of the Public Works Department.

- 4 -

MISCELLANEOUS CORRESPONDENCE

Mayor Buttram acknowledged receipt of letters of appreciation for services performed by City staff.

- 5 -
BEER BOARD

6:12 P.M.....The Athens City Council recessed and reconvened as the Athens Beer Board

RELINQUISHMENT OF BEER PERMIT – IAN’S MARKET #22, 1405 DECATUR PIKE

Mayor Buttram acknowledged receipt of a letter from Karim Boghani relinquishing the Package Beer Stores (Off Premises) Beer Permit at Ian’s Market #22 located at 1405 Decatur Pike due to a change in ownership. **A motion was made by Board Member Pelley, seconded by Board Member Perkinson, to accept the relinquishment of Ian’s Market #22 beer permit as submitted.** Upon roll call, the motion was approved by the following vote:

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

BEER APPLICATION – SUNRISE MARKET #16, 1405 DECATUR PIKE

An application for a Package Beer Stores (Off Premises) Beer Permit from Alpesh M. Patel, owner of Sunrise Market #16, 1405 Decatur Pike, was presented for consideration. **A motion was made by Board Member Pelley, seconded by Board Member Davis, to approve**

the beer application as submitted. Upon roll call, the motion was approved by the following vote:

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

BEER APPLICATION – PICK N PAY, 102 OLD RICEVILLE ROAD

An application for a Grocery (Food Stores) Beer Permit from Nayankumar Patel, owner of Pick n Pay, 102 Old Riceville Road, was presented for consideration. **A motion was made by Board Member Pelley, seconded by Board Member Jackson, to approve the beer application as submitted.** Upon roll call, the motion was approved by the following vote:

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

RELINQUISHMENT OF BEER PERMIT – IAN’S MARKET #19, 430 SOUTH WHITE STREET

Mayor Buttram acknowledged receipt of a letter from Karim Boghani relinquishing the Grocery (Food Stores) Beer Permit at Ian’s Market #19 located at 430 South White Street due to a change in ownership. **A motion was made by Board Member Perkinson, seconded by Board Member Pelley, to accept the relinquishment of Ian’s Market #19 beer permit as submitted.**

BEER APPLICATION – IAN’S MARKET #19, 430 SOUTH WHITE STREET

An application for a Grocery (Food Stores) Beer Permit from Ashwinkumar K. Patel, owner of Ian’s Market #19, 430 South White Street, was presented for consideration. **A motion was made by Board Member Pelley, seconded by Board Member Perkinson, to approve the beer application as submitted.** Upon roll call, the motion was approved by the following vote:

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

6:17 P.M.....The Athens Beer Board adjourned and reconvened as the Athens City Council

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PETITIONS AND REQUESTS

AUDIENCE

A fifth-grader at North City School, Maggie Montgomery, 210 Chestnut Hill Drive, asked the City Council to consider funding the entire budget request from Athens City Schools. She stated she was a writer because of the excellent educational opportunities she received and hoped that future students would be able to receive the same quality of education. Wanda Dennis, 708 Virginia Avenue, also asked the City Council to fund the Athens City Schools budget request. She is the parent of a special needs child and without sufficient funds the School System may be forced to cut the special needs program. There were no further petitions or requests presented at this time.

- 7 -

REPORTS

FINANCE DEPARTMENT REPORT

Mr. Michael Keith, incoming Finance Director, presented the Finance Department Report for the month of April 2012. After brief comments and questions, the report was accepted as presented.

- 8 -

POLICE DEPARTMENT REPORT

Captain Rob Davis presented the Police Department Report for the month of April 2012. After brief comments and questions, the report was accepted as presented.

- 9 -

FIRE DEPARTMENT REPORT

Fire Lieutenant Johnny Tate presented the Fire Department Report for the month of April 2012. The report was accepted as presented.

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CONSENT AGENDA

Mayor Buttram advised that the following items were discussed during the recent work session and are presented as a part of the Consent Agenda. The recording clerk read the items into the record:

- a.) Approve Resolution No. 2012-19 to increase the local match commitment to the funded 2009 City of Athens CDBG Project;
- b.) Approve Resolution No. 2012-20 to authorize the City Manager to execute an Interlocal Agreement with McMinn County to pursue a Justice Assistance Grant through the U.S. Department of Justice;
- c.) Reject all bids from Bid 1557 for a new fire truck as recommended by Jim Dyer, Fire Chief and Matthew Marshall, Purchasing Director;
- d.) Accept bid (Bid No. 1561 dated April 25, 2012) as submitted by Southeastern Apparatus for the Demo Fire Apparatus;
- e.) Approve staff's recommendation to split the bid (Bid No. 1562 dated April 25, 2012) for Loose Equipment and award the bid to EVS Mid-South, G&C Supply, MES, and Heritage Fire as detailed in memorandum from Matthew Marshall, Purchasing Director dated April 27, 2012;
- f.) Accept bid (Bid 1563 dated April 25, 2012) as submitted by MES for Turnout Gear;
- g.) Approve recommendation to declare one (1) 1988 E-One pumper (Asset #1389) as surplus property and authorize public sale or disposal as detailed in memorandum from Jim Dyer, Fire Chief dated May 1, 2012;
- h.) Reappoint Stan Harrison to the Athens Utilities Board, term expires June 30, 2016;
- i.) Reappoint Randy Heafner to the Board of Adjustments & Appeals, term expires June 3, 2016;
- j.) Reappoint Russell Thress to the Board of Adjustments & Appeals, term expires June 3, 2016;
- k.) Reappoint Lewis Talmadge to the Board of Zoning Appeals, term expires June 30, 2017;
- l.) Reappoint Jordan Curtis to the Library Committee, term expires June 20, 2015;
- m.) Reappoint Charles Senn to the Library Committee, term expires June 20, 2015;

- n.) Reappoint Fred Burke to the Recreation Advisory Board, term expires June 30, 2016.

On motion by Council Member Pelley, seconded by Council Member Jackson, the Consent Agenda as stated above was approved by the following roll call vote:

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

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ORDINANCES

ORDINANCE NO. 1003 – SECOND/FINAL READING – PUBLIC HEARING

AN ORDINANCE TO AMEND TITLE 12 OF THE ATHENS MUNICIPAL CODE ENTITLED ‘BUILDING, UTILITY, ETC. CODES’ TO ADOPT THE NATIONAL ELECTRICAL CODE, 2008 EDITION AND THE 2009 EDITION ELECTRICAL INSTALLATION.

The caption of the above-described Ordinance was read by the recording clerk. Mayor Buttram opened the public hearing. There being no one present wishing to discuss the Ordinance, Public Hearing was closed. **A motion was made by Vice Mayor Perkinson, seconded by Council Member Davis, to approve Ordinance No. 1003 on Second and Final Reading.** Ordinance No. 1003 was approved by the following roll call vote:

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

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NEW BUSINESS

PROPOSED RECOMMENDATION NOT TO CLOSE CROSSING AT STERLING ROAD

Mayor Buttram stated Norfolk Southern had submitted a proposal offering to pay the City of Athens \$20,000 to permanently close the Sterling Road rail grade crossing. He noted a conservative estimate indicated it would cost the City an estimated \$50,000 not to mention the impact it would have on the families living on that street. **A motion was made by Council Member Pelley, seconded by Vice Mayor Perkinson, to write a letter to Norfolk Southern telling them the City of Athens rejected their offer to close the crossing at Sterling Road.** Upon roll call, the motion was approved by the following vote:

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

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PROPOSED BUDGET FOR FY 2012/13

A proposed ordinance was presented to adopt the City’s budget for fiscal year July 1, 2012 through June 30, 2013, as follows:

Fund	Projected Opening Balance	Revenues	Expenditures
General	\$7,300,000	\$12,096,700	\$12,792,300
Debt Service	\$3,500,000	\$ 806,000	\$ 749,000
Sanitation	\$1,500,000	\$ 895,500	\$ 895,500
Drug	\$ 225,000	\$ 61,200	\$ 61,000

It was noted that the proposed ordinance maintains the current property tax rate of \$1.1147 on each one hundred dollars of assessed value. The Public Hearing on the Budget Ordinance will be held during the regular meeting on June 19, 2012. The following ordinance was presented for consideration:

ORDINANCE NO. 1004 – FIRST READING

AN ORDINANCE TO ADOPT A BUDGET AND SET THE TAX RATE IN THE AMOUNT OF \$1.1147 ON EACH ONE HUNDRED DOLLARS ASSESSED VALUE OF TAXABLE PROPERTY LOCATED WITHIN THE CORPORATE LIMITS OF THE CITY OF ATHENS, TENNESSEE, FOR THE FISCAL YEAR JULY 1, 2012 THROUGH JUNE 30, 2013.

Motion was made by Mayor Buttram, seconded by Vice Mayor Perkinson, to approve Ordinance No. 1004 as presented on First Reading. Vice Mayor Perkinson moved to amend the motion to increase the amount given to Athens City Schools from \$265,600 to \$475,000 an increase of \$209,400 or 55% of total requested by Athens City Schools Board of Education for fiscal year 2012-2013, seconded by Council Member Davis. Vice Mayor Perkinson stated that Athens City Schools had requested \$867,000 more than less year. The Council had met with Athens City Schools Board of Education several times this year to discuss this issue. In April the City Council was given the Schools' budget. The City Manager put into the budget an additional \$265,600. The City of Athens has reduced staff by 13 people since 2002. The City has provided 45% of sales tax dollars to Athens City Schools. The amount has increased every year which has enabled the schools to build up undesignated reserves. The entire request could be funded out of the City's reserves but that money is for all of our citizens not just schools. Maintenance of Effort must be taken into consideration. The Athens City Schools \$2.3 million in undesignated reserves is about seven times more than the state requires and the Schools could contribute the difference from their reserves which would be 55% from City and 45% from Schools. The City of Athens bond rating should also be considered. The City needs to protect that rating and not put it at risk by continually dipping into its fund balance. Other communities wish that they had the same reserves that we do. We cannot continually go into reserves to fund operations. Council Member Davis expressed her concern about going into fund balance. She referred to the analysis City Manager Moore had prepared that indicated if the City Council funded the entire amount the Athens City Schools had requested in 7 years the entire fund balance would be exhausted. **Council Member Pelley moved to amend the amendment to give an additional \$602,000 which would bring the total to \$2,692,600, seconded by Council Member Jackson.** Council Member Pelley stated that the scenario the City Manager had prepared was the worst case scenario if Council funded the total amount requested by Athens City Schools. Over the past five years, there have been surplus funds almost every year. Upon roll call, the motion to amend the amendment failed by the following vote:

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

Council Member Jackson stated he felt a tax increase was inevitable in the future and hoped that they had as much excitement and turnout for a sales tax referendum to raise taxes to support education. He commented that he did not like approving a budget that was "in the red" for a year. The City of Athens has to operate under a balanced budget and the citizens of Athens need to understand that the Maintenance of Effort will stand and without a tax increase in the future they were looking at cutting fire and police services to balance the budget. **Council Member Jackson moved to amend the line item for Athens City Schools to give the schools an additional \$341,300 which would bring the total to \$2,431,900 or 70% of the total requested to fund the librarians and reading teachers, seconded by Council Member Pelley.** Council Member Pelley stated that in a year people may be asked not just to vote for it but to campaign for a sales tax increase. Upon roll call, motion to amend the amendment was approved by the following vote:

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

Upon roll call, the first reading of Ordinance No. 1004 as amended was approved by the following vote:

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

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MANAGER'S REPORT

City Manager Moore presented the Manager's Report. He reviewed the progress of current city projects/meetings scheduled during the months of May and June. After brief comments, the report was accepted.

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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 7:45 p.m.



R. HAL BUTTRAM, Mayor



MITCHELL B. MOORE, City Manager