

MINUTES OF MEETING, ATHENS CITY COUNCIL, MAY 19, 2015

The Athens City Council met in regular session on Tuesday, May 19, 2015, at 6:00 p.m. with Mayor Davis presiding. The invocation was given by Mayor Davis; and upon roll call, the following members were present:

Burris, Pelley, Raper, Perkinson, Davis

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 21, 2015 was submitted and approved by unanimous consent.

- 2 -

COMMUNICATIONS

PRESENTATION OF PROCLAMATION – MCMINN COUNTY RESCUE SQUAD

Mayor Davis read a proclamation recognizing the week of May 17-23, 2015 as "Rescue Squad Week". Sam Cates, Chief of the McMinn County Rescue Squad, was present to accept the proclamation. Chief Cates expressed his appreciation to the Athens City Council for recognizing the men and women of the McMinn County Rescue Squad. City Manager Moore and the Athens Fire Department were also thanked for their support.

- 3 -

PRESENTATION OF VIVID AWARD

Council Member Pelley presented the Very Important Volunteer Individual Award for May 2015 to Sandy Starr and Megan Golden for their sponsorship of the Feed My Starving Children Program. Sandy Starr spoke about the program, the funds raised and the meals they were able to provide to children across the world. She accepted the award on behalf of Megan Golden, the Athens City Middle School student body and the community.

- 4 -

KEEP MCMINN BEAUTIFUL UPDATE

Sandy Moore, Executive Director of Keep McMinn Beautiful, provided an update on the 2015 Great American Clean-Up event held in April and their current activities. Ms. Moore presented the City Council with a Certificate of Appreciation to the City of Athens in recognition of outstanding participation in the 2015 Great American Clean-Up.

- 5 -

MISCELLANEOUS CORRESPONDENCE

Mayor Davis acknowledged receipt of a letter of appreciation from the Life Skills classes at McMinn County High School thanking City Manager Moore for his support of the 2015 Mock Wreck.

- 6 -

PETITIONS AND REQUESTS

AUDIENCE

Mayor Davis opened the meeting for petitions and requests from the audience. Bill Bennett, 257 County Road 169 and who owns property on East Washington Avenue, addressed the Council regarding his request for public forums and issues he had with the budget, schools and employees of Athens City Schools, AUB and City of Athens.

- 7 -  
REPORTS

FINANCE DEPARTMENT REPORT

Mr. Michael Keith, Finance Director, presented the Finance Department Report for the month of April 2015. The report was accepted as presented.

- 8 -

POLICE DEPARTMENT REPORT

Chief Chuck Ziegler presented the Police Department Report for the month of April 2015. The report was accepted as presented.

- 9 -

FIRE DEPARTMENT REPORT

Chief Dyer presented the Fire Department Report for the month of April 2015. The report was accepted as presented.

- 10 -

COMMUNITY DEVELOPMENT QUARTERLY REPORT

Mr. Anthony Casteel, Community Development Director, presented the Building Permit Quarterly Report for the City of Athens. Mr. Casteel stated Athens added \$10,094,660 of new property value from January through March 2014 compared to \$5,794,080 in the same period last year. He commented that DENSO Manufacturing was the largest first quarter contributor with \$7.5 million investment in plant expansion. The largest commercial investment was Athens Movie Palace, which totaled \$1.5 million of construction. There was only a two percent growth in residential in the first quarter. The report was accepted as presented.

- 11 -

CONSENT AGENDA

Mayor Davis 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.) Accept bid (Bid No. 1616 dated April 29, 2015) as submitted by J. Bisio Enterprises for used waste oil equipment;
- b.) Accept bid (Bid No. 1617 dated May 8, 2015) as submitted by Southern Athletic Fields for athletic field renovations;
- c.) Accept bid (Bid No. 1618 dated May 8, 2015) as submitted by Altec Nueco for a used bucket truck;
- d.) Approve City of Athens Budget Amendment No. 2 for Fiscal Year 2014-2015;
- e.) Approve Resolution No. 2015-13 authorizing the application and acceptance of funds in the FY 2015 Bulletproof Vest Partnership (BVP) Program;
- f.) Approve Medical Insurance Renewal as submitted by Blue Cross Blue Shield for year beginning July 1, 2015;
- g.) Reappoint Sam Stephens, Jr. to Board of Adjustments & Appeals, term expires June 3, 2019;

- h.) Appoint Hal Buttram and Yanira Vasquez to the Library Committee, terms expire June 20, 2018.

**On motion by Vice Mayor Perkinson, seconded by Council Member Raper, the Consent Agenda as stated above was approved by the following roll call vote:**

**AYES: Burris, Pelley, Raper, Perkinson, Davis**  
**NAYS: None**

- 12 -

ORDINANCES

ORDINANCE NO. 1037 – SECOND/FINAL READING – PUBLIC HEARING

AN ORDINANCE TO AMEND ‘THE ZONING ORDINANCE OF THE CITY OF ATHENS, TENNESSEE,’ SO AS TO AMEND THE OFFICIAL ZONING MAP TO ADD PARCEL TAX MAP 056N GROUP A PARCEL 002.00 AS B-1 LOCAL BUSINESS DISTRICT, SAID AREA BEING LOCATED WITHIN THE CORPORATE LIMITS OF ATHENS, TENNESSEE.

The caption of the above-described Ordinance was read by the recording clerk. Mayor Davis opened the public hearing. There being no one present wishing to discuss the Ordinance, Public Hearing was closed. **A motion was made by Council Member Pelley, seconded by Council Member Raper, to approve Ordinance No. 1037 on Second and Final Reading.** Ordinance No. 1037 was approved by the following roll call vote:

**AYES: Burris, Pelley, Raper, Perkinson, Davis**  
**NAYS: None**  
**ABSENT: None**

- 13 -

NEW BUSINESS

ATHENS CITY SCHOOLS PROPOSED BUDGET AMENDMENT #5 – FY 2014-2015

**A motion was made by Council Member Pelley, seconded by Vice Mayor Perkinson, to approve Athens City Schools Budget Amendment #5 for fiscal year 2014-2015.** The motion was approved by the following roll call vote:

**AYES: Burris, Pelley, Raper, Perkinson, Davis**  
**NAYS: None**

- 14 -

PROPOSED BUDGET ORDINANCE FOR FISCAL YEAR 2015-16

ORDINANCE NO. 1038 – FIRST READING

AN ORDINANCE TO ADOPT A BUDGET AND SET THE TAX RATE ON TAXABLE PROPERTY LOCATED WITHIN THE CORPORATE LIMITS OF THE CITY OF ATHENS, TENNESSEE, FOR THE FISCAL YEAR JULY 1, 2015 THROUGH JUNE 30, 2016.

The caption of the above-described Ordinance was read by the recording clerk. **A motion was made by Vice Mayor Perkinson, seconded by Council Member Raper, to approve Ordinance No. 1038 on First Reading.** Vice Mayor Perkinson stated the City has not increased the tax rate in nineteen (19) years. The amount paid may have changed because of adjustments in the assessed value. The City’s sales tax rate is 2% and the state allows 2.75%. In Athens you pay 9% at stores, 7% is state and 2% is local. The rate is slightly lower if you purchase unprepared foods. The City has gone into its reserves for the past four years to balance the budget and cannot continue to balance its budget that way. Council Member Burris stated he agreed with Vice Mayor Perkinson comments but did not like the idea of a property tax increase at this time. He felt they should have a referendum on property and sales taxes and let the citizens decide. **A motion was made by Council Member Pelley, seconded by Council Member Burris, to amend the motion to not have a property tax increase, take \$1,000,000 from fund reserves, reduce street paving from \$500,000 to \$250,000, not hire two new Public Works employees (\$81,000), and reduce sidewalk projects from \$50,000 to \$25,000.** Council Member Pelley stated he felt the City still had enough funds in the reserve. A year from

now they may have to have a property tax increase or increase sales tax. Council Member Raper stated she was at a point in her life that she did not want a property tax increase but this was only going to be for eighteen (18) months until it could be put to a vote. City Manager Moore stated the property tax increase would take effect July 1<sup>st</sup> and during the coming year they would go to a referendum to allow the voters to vote for a sales tax increase and roll back the property tax rate the following year. Athens has one of the lowest sales tax rates for a city with a school system. Council Member Raper stated the citizens of Athens voted for members of the Athens City Council because they thought the council members would make the right decisions for the citizens of Athens. She stated that she felt she was making the right decision voting for the tax increase and she hoped that the citizens that voted for her felt she was making the right decision for them. Mayor Davis stated they had debated these issues for approximately three years. A property tax increase was not going to be popular but it needed to be done. City Manager Moore stated the proposed property tax increase would amount to \$86 on a home assessed at \$100,000. Upon conclusion of the discussion and roll call, the motion to amend the motion failed by the following vote:

**AYES: Burris, Pelley**  
**NAYS: Raper, Perkinson, Davis**  
**ABSENT: None**

Upon roll call, the first reading of Ordinance No. 1038 was approved by the following vote:

**AYES: Raper, Perkinson, Davis**  
**NAYS: Burris, Pelley**  
**ABSENT: None**

- 15 -

ORDINANCE NO. 1039 – FIRST READING

AN ORDINANCE TO ADD A CHAPTER 6 TO TITLE 13 OF THE ATHENS MUNICIPAL CODE RELATING TO PARKED OR STORED VEHICLES ON PRIVATE PROPERTY.

The caption of the above-described Ordinance was read by the recording clerk. **A motion was made by Vice Mayor Perkinson, seconded by Council Member Burris, to approve Ordinance No. 1039 on First Reading.** City Attorney Trew stated the Ordinance required a maximum number of vehicles allowed. Vice Mayor Perkinson recommended a maximum number of ten (10) vehicles be allowed to be stored or parked on private property. Upon roll call, the first reading of Ordinance No. 1039 with a maximum number of ten (10) vehicles was approved by the following vote:

**AYES: Burris, Pelley, Raper, Perkinson, Davis**  
**NAYS: None**  
**ABSENT: None**

- 16 -

LOCAL LIQUOR STORE PRIVILEGE LICENSE

PUBLIC HEARING – MUDDY WATERS TWO WINE & SPIRITS, LLC., 2622 DECATUR PIKE

Mayor Davis opened the public hearing. There being no one present wishing to discuss the proposed liquor store, Public Hearing was closed.

- 17 -

CONSIDERATION OF APPLICATION FOR A CERTIFICATE OF COMPLIANCE AND LOCAL LIQUOR STORE LICENSE FROM MUDDY WATERS TWO WINE & SPIRITS, LLC

City Attorney Trew stated retail liquor stores were a new privilege the voters elected to have in Athens. The City was guided by both the local ordinance passed by the City Council and by the state laws imposed on applicants and jurisdictions that have passed legislation to allow liquor stores in their jurisdiction. City Attorney Trew stated a considerable amount of work had

been done by the applicants in filling out the forms and by staff reviewing the documents to make sure the applicant had met all the requirements of state and local law. If there were deficiencies in the application, the staff notified the applicant of those deficiencies and gave them the opportunity to correct those deficiencies before the application was submitted to the City Council. If staff had not done that, applications would be presented to the City Council and staff would advise the Council that the applicant did not meet all the requirements and the Council would have no choice but to deny the application.

The application from Muddy Waters Two Wine & Spirits, LLC was presented to Council. City Attorney Trew advised the City Council that City staff had reviewed all the documents and were present to answer any questions. He stated that the State Legislature asked the governing body to consider whether to give the applicant a Certificate of Compliance. Council approval would mean the application meets all the criteria in the legislation. The Council would have to represent to the Tennessee Alcoholic Beverage Commission (TABC) that the applicant had met all the requirements of the local laws, had not been convicted of a felony within a ten-year period immediately preceding the date of the application, and it was the Council's good faith opinion that the applicant will not violate any provisions of Tennessee Code Annotated, Title 57, Chapter 3 and applicant was of good moral character. The application from Muddy Waters Two Wine & Spirits, LLC had met all the requirements of local laws. The background check did not indicate that the owners had been convicted of a felony, had violated any of the City's local laws with respect to alcoholic beverages, or had violated any laws with regard to alcoholic beverages in any other jurisdiction. City Attorney Trew instructed the Council based on their review to decide whether to authorize the Mayor to sign the Certificate of Compliance. Next, they needed to decide whether to issue a tentative local retailer's license to this entity so they would not have to come back to the Council. The City would hold the license until the applicant came back with proof they had been approved by the TABC.

**A motion was made by Council Member Pelley, seconded by Council Member Burris, to approve a certificate of compliance for Muddy Waters Two Wine & Spirits, LLC.** Upon roll call, the motion was approved by the following vote:

**AYES:           Burris, Pelley, Raper, Perkinson, Davis**  
**NAYS:           None**

**A motion was made by Council Member Pelley, seconded by Council Member Burris, to approve the local liquor store privilege license for Muddy Waters Two Wine & Spirits, LLC subject to approval by the Tennessee Alcoholic Beverage Commission.** Upon roll call, the motion was approved by the following vote:

**AYES:           Burris, Pelley, Raper, Perkinson, Davis**  
**NAYS:           None**

- 18 -


#### 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/June. The report was accepted as presented.

- 19 -

#### ADJOURNMENT

There being no further business to come before the meeting and upon motion duly made and seconded, the meeting adjourned at 8:01 p.m.

  
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ANN S. DAVIS, Mayor

  
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MITCHELL B. MOORE, City Manager