

MINUTES

The regular meeting of the Oliver Springs Town Council was called to order by Mayor Chris Hepler on July 18, 2013, at 7:00 p.m. All were present except Gary Stinnett and Joseph H. Van Hook who had excused absences.

The meeting was opened in prayer by Councilman Omer Cox followed by the pledge to the flag.

Motion by Craze and second by Brummett to approve the minutes of the previous meeting as presented. All voted aye.

COMMENTS FROM CITY MANAGER:

- A. The CDBG Water Loss Grant invitations to bid have been scheduled to run in the Knoxville News Sentinel this Sunday. The bid opening will be August 15, 2013 at 11:00 a.m. at City Hall.
- B. Water line leak repairs are continuing, and for the past several weeks Bradley and Marcus are assisting the work of the water department due to illness and vacation.
- C. On July 3, 2013, the common litter at the sewer plant failed and the cost to replace this item is approximately \$38,000.00. As the wastewater plant capital improvements contemplate an upgrade to a spiral screen, this part was not replaced. Instead, a direct flow bypass was created.
- D. The I & I Team has videoed sewer lines on Hen Valley and found a damaged sewer line, and repairs are planned to begin on Thursday.
- E. With the approval of the Mayor, Marcus Bass was hired as a part time assistant several months ago. Based upon the 2013-2014 Water and Sewer Budget, Mrs. Treece recommended that Marcus Bass be hired on a full time basis beginning immediately. Mr. Bass is a quick learner, willing to give more than his share, is available after hours, and is always willing to come in and work when needed. He has proven to be a valuable team member and will work well with the other City employees.
- F. The Sewer Plant continues to waste solids although the extensive rain last week hindered the processing schedule. Work is continuing to improve the mixed liquor totals. Wasting solids will again happen this week.
- G. With the extensive flooding, Arrow Head Park was flooded with approximately 4.5 to 5.5 feet of standing water. The Park was closed for safety and cleanup reasons. The Street Department has scraped the parking area and track to remove the dried mud and limbs. Parks Director Kelly will have a work crew this Saturday to continue with the cleanup efforts. Two large dumpsters will be delivered Friday to assist with the cleanup. An adjuster from TML has reviewed the loss and has allotted \$14,000.00 for fencing only. The contents of the buildings will not be covered as the Town has a \$500,000.00 deductible for flood damage. Two local fencing companies have been contacted to provide bids for the fencing repair. The quotes will be reported as received.
- H. The park grant equipment for Arrow Head Park has been ordered and delivery is expected in mid to late August. As soon as the flood damage cleanup has been completed, the removal and preparation process for the park will begin.
- I. City Hall has received numerous calls as to the grass at the Oliver springs Cemetery. The mowing plan was to mow after the twelfth of the month.

However, with the heavy rains and floods, this was not possible. Even after two weeks of no grass cutting, the Town is receiving calls from citizens as to why the Cemetery was not being mowed as it was mowed last summer.

- J. City Attorney Jennifer Chadwell reported that the Redbud Park lawsuit will be heard in March or April of 2014. Should the Town wish to proceed with repairs, the Town may do so, and all expenses will be documented.
- K. City Attorney Jennifer Chadwell advised that the advertisement for the delinquent property back tax sale will run this week and the sale is scheduled for October 2013.
- L. The proposed ordinance for the Town to take over code enforcement by way of the Police Department and City Manager has not yet been received. Once Town Council has reviewed and passed this ordinance, if no response is obtained after the ten-day compliance notice, and then the City Attorney will file the lawsuits for the codes enforcement.

COMMENTS FROM CITY MAYOR

Mayor Hepler advised that for anyone wishing to work with the Park Director Kelly work crew on Saturday, he would provide lunch.

Mayor Hepler announced that he had attended the Carmichael Park grant meeting, and the contractor advises that it most likely be less expensive to put the playground equipment on the upper level as compared to the lower level.

COMMENTS FROM CITIZENS:

Kenny Bradshaw spoke and thanked the Town Council members and the Mayor for the services and work that each was giving to the Town. He observed that the Town needs more revenue to provide services. He supported tax increase, and observed that many may not support a tax increase, but from his standpoint, a tax increase is needed in order to provide a quality service for the citizens. He strongly encouraged the tax increase, as in his opinion; Town Council had no choice but to pass a tax increase. The tax increase revenue is not going to be spent frivolously, but rather to maintain the services, the equipment, and the employee benefits, that the Town currently has. He stated that he had talked to many people, and followed the business conducted by Town Council over the past several years, and that he knew that each Town Council Member had a good heart and was well intentioned, and did not want to hurt anyone or impose a financial burden on anyone, but he believed that approximately eighty percent of the citizens would support a tax increase to maintain the Town's services at current levels. Mr. Bradshaw spoke at length as to the efforts of Town Council to keep taxes low, but in general, he supported a reasonable tax increase.

COMMENTS FROM TOWN COUNCIL MEMBERS:

Mr. Walker asked and Mrs. Treece advised that in the 2013-2014 General Fund budget she had asked for additional workers to be budgeted and hired to take care of the Cemetery mowing and other projects. It takes between two and a half to three days to mow the Cemetery every two weeks. However, with the amount of rain, the City employees have been assigned to deal the sewer plant issues and the clean up of the flood at Arrow Head Park. Therefore, Mrs. Treece was instructed to mow the

Cemetery once a month. However, in her opinion, this is not practical as it may take as long as five days to mow the much higher grass at the cemetery once a month. It is easier and actually takes less total time to mow the Cemetery twice a month. Mr. Brummett asked and Mrs. Treece advised that in the past, the prison crew had been mowing the Cemetery, but this crew has been assigned to other projects. After further discussion, the Mayor instructed Mrs. Treece to mow the Cemetery, weather, projects, and available workers permitting, once every two weeks.

Mr. Walker observed that it had been fifteen years or more since the Town had had a property tax increase, and one is coming this year. As Mr. Stinnett was absent, Mr. Walker recommended that the budget not be considered at this meeting but be voted upon by the full council at another meeting when all are present.

Mr. Cox advised that due to illness, he has missed several of the workshops and the meetings, but he has reviewed the written material, and will listen to and participate in the budget debate.

Mr. Holland asked and Mrs. Treece advised that the delay in the Redbud Park lawsuit is due to depositions and legal proceedings to be scheduled and completed.

Mr. Brummett observed that it was his understanding that the general fund budget would be voted upon tonight. The Mayor observed that there was nothing on the agenda as far as the general fund budget, but Town Council could amend its agenda.

OLD BUSINESS:

None.

NEW BUSINESS:

The Mayor advised that unless anyone objected, he would appoint Tammy Barger to be the Chairwoman of the 2013 Christmas parade. All agreed that she had done a good job in the past, and she would be an excellent person to be able to serve as Chairwoman of this year's Christmas parade.

Motion by Brummett and second by Cox to pass resolution 2013-07-18, a resolution authorizing the Town to participate in the Tennessee Municipal League "Safety Partners" loss control matching grant, which is a 50%-50% matching grant, to purchase safety equipment, traffic barrels, and traffic cones, in an amount up to \$3,000.00 "with the Town being responsible for up to \$1,500.00 and the grant being responsible for up to \$1,500.00". All voted aye.

After discussion, motion by Walker and second by Craze to pass ordinance number 2013-21-06A, the 2013-2014 Drug Investigation and Control Fund Budget. All voted aye.

Motion by Walker and second by Craze to pass Resolution 2013-18-07, imposing public recreational uses restriction upon Arrow Head Park pursuant to the requirements of the Park Grant. All voted aye.

Mayor Hepler opened discussion of the 2012-2014 general fund budget. The Mayor thanked the Town Councilmen for serving, and also for all of their hard work in preparing this budget. The Mayor advised that he would speak not only in his official capacity as Mayor, but also as a taxpayer living in Town. As a Councilman and a Mayor, he has participated in thirteen budgets over his years on Town Council, and there have been more budget workshops over this budget than on the previous twelve budgets. Costs have risen for the Town, and the biggest expense and problem is the extraordinarily large increase in health insurance costs for employees.

Prior to January 5, 2012 the Town paid the insurance premium cost for both the employee coverage and the family coverage. After January 5, 2012, Town Council voted for any newly hired employees, to pay only the cost for the employee coverage, and the employee would pay the cost for any family coverage. Full health insurance benefits represent approximately one-third of the employee pay package. The Mayor has talked with several of the impacted employees and the Mayor requested that Town Council consider resuming paying all of the family coverage, or in the alternative, pay three-fourths of the family coverage. The Mayor observed that it might be possible to obtain a better workforce by having better benefits. The cost to pay the family coverage health insurance for the three impacted employees would add approximately six cents to the property tax rate (the Mayor spoke both as the Mayor and as a taxpayer). The Mayor knows these employees and all are good honest, hard working employees. The Mayor observed that the action of Town Council was not to penalize any employee, but was based upon the limited resources of the Town.

One of the employees spoke that as far as the hiring of new employee Rusty Phillips was concerned, he was promised family health insurance coverage, and he deserves family health insurance coverage. The Mayor agreed, but stated that he checked the date of Phillips' employment application, and it was dated four months after the ordinance was passed. If Town Council chooses not to take action this year, then the Mayor encouraged Town Council to seriously consider taking this action next year. Mrs. Treece spoke that when the water department budget was passed, money is in the budget for the employee family health insurance coverage. If this money is not used, then there will have to be a budget amendment. The Mayor and the City Manager observed that the fact that the Town paid all of the health insurance premium (employee and family coverage) was a positive hiring factor in competing with other employers, and the Town was able to hire and keep high quality employee. Mrs. Treece encouraged Town Council to set the tax rate at \$1.10 as that tax rate would fund the employee and family health insurance coverage as well as fund the acquisition and replacement of needed equipment. Mr. Walker supported the \$1.10 property tax rate and encouraged Town Council to cover all the cost of the employee and family health insurance coverage; if not all, pay 75% of the family health insurance coverage.

The Town had experienced a twenty one percent (21%) increase in health insurance premiums for the 2013-2014 fiscal year. Mr. Holland asked if the \$1.10 tax rate would cover the 75% family insurance coverage, and the Mayor advised that the exact figures were not available at this time. Mr. Brummett, in a point of order, advised that the Town had a resolution in place dealing with the family health insurance coverage portion of the health insurance premium. The Mayor and Mrs. Treece advised that no resolution was in place, but the Mayor did state there were a motion and a second in the minutes where this action had passed. However, it would take a motion and a second with the majority vote to repeal this action.

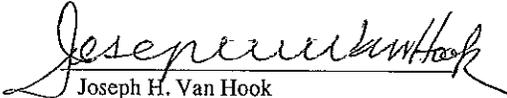
Motion by Walker to repeal the January 5, 2012, action by Town Council wherein the Town will no longer pay the family health insurance coverage for employees hired after January 5, 2012.

Mr. Cox asked several questions as to the budgeting of the funds available to pay the family portion of the health insurance, and Mrs. Treece advised that some confusion had arisen in that she, Mr. Walker, Mr. Stinnett, and the Mayor, all thought that when the water department budget passed containing the budgeted funds to pay the family health insurance coverage for the newly hired employee, that the new employee was eligible to have the coverage, and Mrs. Treece placed him on the family coverage. However, she had to take him off the family coverage in view of the fact that the ordinance of January 5, 2012, had not yet been repealed. After further and extensive discussion, the Mayor called for a second to Mr. Walker's motion. With no second forth coming, the Mayor declared that the motion died for lack of a second.

After further discussion, motion by Brummett and second by Cox to pass the 2013-2014 General Fund Budget, Ordinance Number 2013-07-18A, allowing for a dollar and two cents (\$1.02) tax rate for Roane County and Anderson County, and slightly lower tax rate for Morgan County. This passed 4-1, Mr. Walker voting no.

With no further business to come before the meeting, the meeting was, upon motion duly made and seconded and unanimously approved, adjourned at 8:15 p.m.

Respectfully submitted,


Joseph H. Van Hook
City Recorder

APPROVED:


Chris Hepler
Mayor

7-18-2013 Minutes