WATER BOARD MINUTES

The regular meeting of the Oliver Springs Water Board was called to order on August 1, 2013, at 6:30 p.m. by Chairman Chris Hepler. All were present.

Motion by Brummett and second by Holland to approve the minutes of the previous meetings of June 2, 2013, and July 2, 2013, as presented, with the corrections for the July 2, 2013, Water Board meeting, that the letter from the Water and Waste Water Financing Board was dated July 2, 2013 (not July 22, 2013), and that in the several portion of the minutes dealing with the 2013-2014 Water Board Budget, containing the phrase "...and fund the family health insurance coverage (to be paid for by the Town) for the new employees, who have family coverage, or wish to have family coverage, for which the Town currently does not pay...", be deleted. Mr. Stinnett and Mr. Walker expressed a strong belief and conviction that in order to be fair and just with all employees, and in order to offer a highly competitive employment package as compared to other employers, and in view of the fact that the revenue would be available, that the Town pay the family health insurance coverage for all of its employees. The Mayor, Mr. Brummett, Recorder Van Hook, and others stated that the ordinance of January 5, 2012 authorizing the Town to pay only the employee health insurance coverage for any new employees was still in place notwithstanding the passage of the 2013-2014 budgets, and that it would take a repeal of the January 5, 2012 Town Council action. Mr. Stinnett observed that this January 5, 2012, family health insurance action was not labeled an "ordinance" or "resolution" but rather was a "motion and second". City Recorder Van Hook advised that the Town Council could only speak through ordinances and resolutions, and that generally speaking, an ordinance was a more formal and binding action taken by Town Council, as compared to a resolution, which was a more informal type of action taken by Town Council, and depending on the type of resolution, could be binding upon Town Council and others, or could be a nonbinding expression of opinion by Town Council. Regardless of whether or not the January 5, 2012, family health insurance action was an "ordinance" or "resolution" or a "motion and second", it was a binding action taken by Town Council, as many different types of business is conducted in this "motion and second" action of Town Council. In addition, the budgets passed by Town Council, is a general law, and the January 5, 2012, family health insurance action, was a specific law. Under the rules of statutory construction, specific laws will control over general laws until the specific law is repealed or modified. After additional discussion, the minutes as amended were approved 4-2, Mr. Stinnett and Mr. Walker voting no. After the minutes as amended were approved, several observed that the Town did not have $740,000.00 in cash reserves and certificates of deposit, but had $470,000.00 in reserve, and the Mayor stated as this was a typographical error, it could be corrected without a vote by the Water Board.

COMMENTS FROM CITY MANAGER:

A. The bid opening of the CDBG Water Loss Grant will be held on August 15, 2013, at 10:00 a.m.

B. The rass pump at the Sewer Plant must be replaced. With a bid of $4,222.00 (without shipping and installation), and a second bid of $5,000.00 including shipping, labor, and installation, and after discussion, motion by Stinnett and second by Craze to purchase this pump for $5,000.00 installed. All voted aye.

C. Applications are still being accepted for the full time position with the I & I Crew and interviews will be scheduled the second week of August.

D. The Water Department will begin accepting credit card payments, debit card payments, and payments via the website www.oliversprings.tn.gov for water and sewer services by the end of August of 2013.

E. The results of the sewer plant mixed liquor test for July 25, 2013, have dropped from approximately 8,500 to 3,500. The Inspector was pleased with these numbers.

F. As any leased equipment has to be approved pursuant to the requirement of the Comptroller Office for equipment leasing, bids and quotes for the I & I Crew leased equipment are being received, and will be presented with a resolution at a future Water Board meeting.

G. On July 25, 2013, the Mayor, Teddy, GRW, and the City Manager met with Inspector John West of TDEC to discuss the issues as to an agreed order for the sewer system. In view of the fact that the Water Department has not received the engineering report, Inspector West has granted a ninety-day extension, but is still working on the agreed order.

H. Mrs. Treece found a used 2008 F-250 Ford with a utility bed, a 6.4 V8 Turbo Diesel, with 150,000 miles, for sale in Iowa on www.govdeal.com. The last bid was $17,000.00. Several on the Water Board said that if the vehicle could be obtained for around that price, that would be a good deal. After further discussion, motion by Cox and second by Stinnett to authorize City Manager Treece to bid up to $19,000.00 for the truck; after further discussion, Mr. Cox and Mr. Stinnett amended the motion and second to authorize City Manager Treece to spend up to $20,000.00 to bid on this truck. All voted aye.

I. Mrs. Treece advised that it would cost probably between $5,000.00 and $6,000.00 to equip the truck with a crane.

J. Mrs. Treece advised that the white dodge sewer plant truck is losing compression in its engine, and if cannot be economically repaired, she would offer to allow the sewer department to use her large truck, provided that she provided with a smaller vehicle, possibly at a cost of $5,000.00 or less.

COMMENTS FROM WATER BOARD MEMBERS:

Mr. Stinnett asked and Mrs. Treece reported that she has a state bid on a bobcat and other equipment for the I & I crew, and the Water Board will have to pass a resolution to lease the equipment according to rules and regulations as promulgate by the Comptroller Office.

Mr. Stinnett stated that the passing of the ordinance of January 5, 2012, not paying the family health insurance coverage for future employees smacked these employees in the face. None on the Water Board members will do the job for the pay and benefits of the Town that these several employees perform. A police officer was hired after the passage of this ordinance and he received full family coverage. This situation is not fair and not right. After discussion, motion by Stinnett and second by Walker to repeal the January 5, 2012 action passed by Town Council wherein only the employee coverage would be paid for new employees. This failed 2-4, Mr. Cox, Mr. Craze, Mr. Holland, and Mr. Brummett voted no.

Mr. Holland stated that he did know the new employee, but any discussion, input, and action that he took, was never ever to work against any employee.

Mr. Cox stated much of this had been discussed in previous meetings and workshops, and that he knew the father of this new employee, as well as the employee, and he was glad that this new employee is working for the Town.

Mr. Walker stated that the State has, for many years, required two certified sewer plant operators to be employed, and that the Water Department is training the new employee for this position. If this employee receives certification, the employee may leave for a better job. Mr. Walker advised that the Town needs to offer a pay package and benefits that will attract and keep good employees.

City Recorder Van Hook spoke that when he was first elected in 1985, the Town only paid the employee health insurance, and the employee was free to purchase family coverage through the insurance carrier of the Town. Finance Officer Walker advised that

during that period of time, approximately three employees had family coverage. Recorder Van Hook said that about the year 2000, about when Mr. Stinnett was Mayor, Town Council voted to pay the employee family health insurance coverage, as the Town could obtain a lower employee premium if all of the employees had family coverage; and in this fashion, the Town was able to increase the employee benefits at a lesser cost. Obviously the January 5, 2012 action, leads back to the time before the year 2000, and this may very well be motivated by the tremendous increase in health insurance costs. The Mayor is wise in recommending that this matter be reviewed in the future by Town Council, and City Recorder Van Hook advised that perhaps in January of 2014, or at the 2013-2014 budget workshops, this matter can once again be reviewed, as the economics may be more advantageous to the City next year.

Mr. Cox stated that it may be more appropriate to speak in these meetings in a positive and good way even as we debate different and controversial positions.

Mr. Craze advised that he will keep an open mind for budget negotiations next year. He also observed that insurance costs have gone through the roof, and several police officers that were hired over the past ten years have left employment even with family coverage.

Mr. Holland asked and Mrs. Treece advised that when the old website was abandoned, the Town lost that website and e-mail site, and as the new website is used more and more, there will be a greater service for the citizens.

Mr. Holland asked and Mrs. Treece advised that as the liquor numbers at the sewer plant had dropped, that the State Inspector was happy happy happy.

Mr. Holland asked and Mrs. Treece advised that the engineers are still working on the engineering study, and in view of this fact, the Inspector has given the Town a ninety day extension.

COMMENTS FROM WATER AND SEWER CUSTOMERS:

None.

OLD BUSINESS:

None.

NEW BUSINESS:

None.

With no further business to come before the water board, upon motion duly made and seconded and unanimously approved, the meeting was adjourned at 7:15 p.m.

Respectfully submitted,

Joseph H. Van Hook
Water Board Secretary

APPROVED:

Chris Hepler
Water Board Chairman
WB 8-1-1