

MINUTES OF MEETING, ATHENS CITY COUNCIL, AUGUST 15, 2006

The Athens City Council met in regular session on Tuesday, August 15, 2006, at 6:00 P.M. with Mayor Proffitt presiding. The invocation was given by Council Member Myers; and upon roll call, the following members were present:

Alvey, Myers, Pelley, Perkinson, Proffitt

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 held on July 18, 2006, were submitted and approved by unanimous consent.

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COMMUNICATIONS FROM THE MAYOR

PRESENTATION OF VIVID AWARD

Council Member Myers presented the *Very Important Volunteer Individual Award* for the month of August 2006 to Mr. Brian Heatherly. Mr. Heatherly was recognized for his commitment to education, serving as Chairman of the Family Engagement Committee at North City School, his church, as well as his civic service within the community

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PRESENTATION OF SOAP BOX DERBY PROCLAMATIONS

Vice Mayor Perkinson and Council Member Alvey presented proclamations honoring Emily Whiting, Super Stock Car Champion, and Kati Tilley, Masters Car Champion, for their representation of Athens in the 2006 All-American World Championship Soap Box Derby in Akron, Ohio, in July. Stock Car Champion Kara Grooms was out of town. The presentation of Kara's proclamation will be made during the September 19th Council Meeting.

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PRESENTATION OF PROCLAMATION – ELIZABETH ROBINSON

Council Member Pelley read a proclamation in support of Liz Robinson's national campaign for Mayor of Goody's Country. Being selected in the final field of 50 contestants representing 19 states, Miss Robinson is eligible to win a NASCAR package which would include having her face painted on Tony Stewart's Busch Series car and provide an all-expense paid trip to Charlotte in October. The contestant with the most popular votes on September 24, 2006, shall be declared the winner. It was noted that Miss Robinson is on vacation and could not attend the meeting. However, upon her return to Athens, an official presentation of the proclamation will be made by the Athens City Council.

EMPLOYEE OF THE QUARTER

Ms. Rita Brown, Human Resources Director, presented the "Employee of the Quarter" award for the period ending June 2006. Mr. Keith Barton, Captain in the Athens Fire Department, was recognized for his outstanding service to the City of Athens. As in the past, the recipient of this award receives a \$50 savings bond and becomes eligible for the "Employee of the Year" award, which is given annually to recognize significant service to the City of Athens.

MISCELLANEOUS CORRESPONDENCE

Mayor Proffitt acknowledged receipt of letters and notes of appreciation for services performed by city staff members.

PETITIONS AND REQUESTS

AUDIENCE

Mayor Proffitt opened the meeting for petitions and requests from the audience. There were none presented at this time.

REPORTS

FINANCE DEPARTMENT REPORT

Mr. Mike Keith presented the Finance Department Report for the month of July 2006. After brief discussion and comments, the report was accepted as presented.

POLICE DEPARTMENT REPORT

Chief Chuck Ziegler presented the Police Department Report for the month of July 2006. After brief discussion and comments, the report was accepted as presented.

FIRE DEPARTMENT REPORT

Chief Bob Miller presented the Fire Department Report for the month of July 2006. After brief discussion and comments, the report was accepted as presented.

YEAR-IN-REVIEW REPORT

Mayor Proffitt presented a written/oral “Year In Review” for fiscal year 2005-06. He updated the Council and members of the audience relative to projects completed during the previous budget year as well as projects pending in the current budget year. In closing, Mayor Proffitt acknowledged the efforts of the City Manager and staff for the outstanding accomplishments of the previous year.

ORDINANCES

ORDINANCE NO. 944 – PUBLIC HEARING

“AN ORDINANCE TO ANNEX PROPERTY KNOWN AS THE MOUNT VERD AREA, AND DESCRIBED IN THE BODY OF THIS ORDINANCE, AND TO INCORPORATE THE SAME WITHIN THE CORPORATE BOUNDARIES OF THE CITY OF ATHENS, TENNESSEE.”

Upon the reading of the caption by the recording clerk, Mayor Proffitt opened the Public Hearing on Ordinance No. 944 to annex certain properties west of the existing municipal limits along Highway 305 and beyond the I-75 interchange. Several residents spoke in opposition to the annexation including William Ratledge, County Road 203; Rick Lay, County Road 242; Darrell Murray, (business office) County Road 305; Tom Baines, County Road 242; Nick Kurowski, County Road 242; Faye Maroon, Highway 305; Kenneth Baxter, (Overnite RV Park) Highway 305; and Eddie Leonard, County Road 249. Other nonresidents of the proposed annexed area speaking in opposition were Michael Schmidt (address unknown); John Emison, President of Citizens For Home Rule in Knoxville; and Bill Bennett, County Road 169. The property owners objected to the annexation due to increased property taxes and the unavailability of sewer for five (mid-2011) to in excess of twelve years (early 2019) in accordance with the proposed Plan of Services. Additionally, property owners expressed concerns about the additional costs for sewer hookup, user fees, and the possible necessity of a pump, while noting their previous expense for installation of a private septic system. Alluding to other services to be provided by the City (gas, water, law enforcement, fire protection, street lights, garbage collection, etc.), the property owners noted these services are currently available to them. During discussion, City Manager Moore reviewed the proposed Plan of Services and discussed some of the advantages of annexation including reduced water and insurance rates. For those property owners with children, he noted there would be no tuition charge to attend the Athens City Schools. Relative to the availability of sewer services to the annexed properties, City Manager Moore described the above mentioned timeline as a *worse case scenario*, noting the location of a new industry to this area would shorten that timeframe considerably. In response to other questions, Mr. Moore explained that property taxes do not pay for the installation of sewer systems; instead, these costs will be paid through grants or by the existing sewer system through user fees. As discussion continued, Mr. John Emison, whose agency assists citizens in blocking unwanted annexation attempts, addressed numerous issues regarding this annexation and noted the continuance of this annexation in all likelihood would result in a lawsuit being filed against the City of Athens. After other comments and remarks by members of the audience, each council member expressed appreciation and acknowledged the concerns of the public. Council

Member Pelley stated he is in favor of annexation. However, he went on to state that he is *not* for annexation with the existing Plan of Services. He felt 12 years is too long and stated his desire for the Council to shorten the length of the planned services. Vice Mayor Perkinson acknowledged his support for the annexation in an effort to create employment and to allow per capita income to increase. He felt this annexation was necessary in order to protect Exit 52 as it relates to development that would become grandfathered should annexation be *down the road*. Council Member Myers stressed the need for annexation as there are no zoning regulations to protect a portal into the City of Athens from unfavorable development. He further stressed a need to look at the future of this city and the future of employment for its citizens. Council Member Alvey acknowledged her support of this annexation as a business decision, emphasizing the need to bring the industrial property located along that corridor into the city. It was her contention that the Plan of Services may not be ideal, but *it is the best we can do*. In expressing his support, Mayor Proffitt stressed growth to be the driving force within a community. He alluded to the importance of industrial development, protection of this corridor, and quality of life for all citizens. After other comments between the property owners and council members, Mayor Proffitt closed the Public Hearing. It was noted that a public hearing on the proposed Plan of Services will be held during the regular meeting on September 19, 2006, prior to consideration of a resolution which will allow for the adoption of the Plan of services as it relates to Ordinance No. 944. Also, during that meeting, the second and final reading of Ordinance No. 944 will be presented for consideration. In accordance with state law, City Manager Moore reminded those present that the annexation shall not become official until 30 days after the final reading and approval of this ordinance.

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ORDINANCE NO. 945 – 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 REZONE PROPERTY ALONG STERLING ROAD FROM I-1 (LIGHT INDUSTRIAL DISTRICT) TO R-2 (MEDIUM DENSITY RESIDENTIAL DISTRICT) SAID AREA BEING LOCATED WITHIN THE CORPORATE LIMITS OF ATHENS, TENNESSEE.”

Upon the reading of the caption by the recording clerk, Mayor Proffitt opened the Public Hearing on Ordinance No. 945. There being no one present wishing to discuss the Ordinance, Public Hearing was closed. Motion was made by Council Member Pelley, seconded by Vice Mayor Perkinson, to approve Ordinance No. 945 on Second and Final Reading, and upon roll call, Ordinance No. 945 was approved by the following vote:

AYES: Alvey, Myers, Pelley, Perkinson, Proffitt
NAYS: None
ABSENT: None

NEW BUSINESS

RECOMMENDATION FROM ARPC – PLAN OF SERVICES (MT. VERD ANNEXATION)

Mayor Proffitt presented Minutes of the Planning Commission, meeting in regular session on August 7, 2006, unanimously recommending Council's acceptance of the Plan of Services for the proposed Mt. Verd annexation (Ordinance No. 944). As required by state law, Mayor Proffitt advised that a Public Hearing has been properly advertised and will be held during Council's next meeting on September 19, 2006, followed by the consideration of a proposed resolution adopting a "Plan of Services."

RECOMMENDATION FROM ARPC – REZONING REQUEST

Mr. Harold Hunter, Community Development Director, presented Minutes of the Planning Commission, meeting in regular session on August 7, 2006, unanimously recommending that City Council rezone property containing approximately 3-1/2 acres located at 2007 South Congress Parkway (former location of St. Mary's Catholic Church) from R-2 (Medium Density Residential District) to B-4 (Highway and Major Arterial Serving Business District). It was noted that this zoning will accommodate future business interests such as a restaurant or convenience center. The following ordinance was presented for consideration:

ORDINANCE NO. 946 – FIRST READING

“AN ORDINANCE TO AMEND ‘THE ZONING ORDINANCE OF THE CITY OF ATHENS, TENNESSEE,’ SO AS TO AMEND THE OFFICIAL ZONING MAP TO REZONE PROPERTY ALONG CONGRESS PARKWAY FROM R-2 (MEDIUM DENSITY RESIDENTIAL DISTRICT) TO B-4 (HIGHWAY & MAJOR ARTERIAL SERVING 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. Motion was made by Council Member Pelley, seconded by Council Member Alvey, to approve Ordinance No. 946 on First Reading, and upon roll call, Ordinance No. 946 was approved by the following vote:

AYES: Alvey, Myers, Pelley, Perkinson, Proffitt
NAYS: None
ABSENT: None

MEDICAL INSURANCE PROPOSAL

As discussed during recent work session and based on a preliminary renewal rate proposal reflecting a 24.09% increase, Human Resources Director Rita Brown presented staff's recommendation dated August 7, 2006, to change insurance carriers from Blue Cross Blue

Shield to Cariten, effective September 1, 2006. It was further recommended that two plans be offered to city employees. One plan (Plan A) will have the current plan of benefits with a 16.06% increase in premiums while a second plan (Plan B) will reflect a \$250 increase in deductible for a 10.98% increase in premiums. New insurance rates are reflected as follows: individual employee coverage – \$65.83 (Plan A) or \$62.95 (Plan B); employee plus one - \$134.46 (Plan A) or \$128.58 (Plan B); family - \$193.49 (Plan A) or \$185.02 (Plan B). After brief comments, motion was made by Council Member Pelley, seconded by Vice Mayor Perkinson, to accept staff’s recommendation as provided above. Upon roll call, the motion was approved by the following vote:

AYES: Alvey, Myers, Pelley, Perkinson, Proffitt
NAYS: None

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TN ROADSCAPES GRANT PROPOSAL

During recent work session, city staff informed Council of the “Tennessee Roadscapes Grant Program” administered by the Tennessee Department of Transportation. In a memo dated August 2, 2006, Recreation Director Austin Fesmire advised this grant is an 80/20 match with TDOT to landscape the four cloverleaf areas and center medians of Exit 49 using mature trees in mulched areas. As previously reported by Mr. Fesmire, the deadline for submission of the grant is September 1, 2006. The following resolution was presented for consideration:

RESOLUTION NO. 2006-35

“A RESOLUTION AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION THROUGH THE STATE OF TENNESSEE DEPARTMENT OF TRANSPORTATION FY 2006 ROADSCAPES GRANT PROGRAM.”

The caption of Resolution No. 2006-35 was read by the recording clerk. Motion was made by Vice Mayor Perkinson, seconded by Council Member Myers, to approve Resolution No. 2006-35. Upon discussion, it was noted the cost of engineering fees to develop the application in compliance with grant specifications is \$6,200. Should the grant not be accepted this year, the application can be reapplied the following year. After other comments and upon roll call, Resolution No. 2006-35 was approved by the following vote:

AYES: Alvey, Myers, Pelley, Perkinson, Proffitt
NAYS: None

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PROPOSED TEMPORARY FENCE BY MID EAST TENNESSEE REGIONAL FAIR

During recent work session, City Council discussed a punch list to address deficiencies in work being performed to prepare the Regional Park for use by the Mid East Tennessee Regional Fair in September. This work was to be performed by the Fair at their expense in accordance with plans approved by the City Council. Based on that discussion, City Council requested that the City Manager notify the Fair specifically concerning safety and liability issues relating to the use of the property during the 2006 fair. The Council stressed the requirement that a chain link

fence be installed around the detention pond prior to the opening of the fair. Regarding other deficiencies, the Council further requested monthly updates be provided for review during work session until all items on the punch list have been corrected. In response, City Manager Moore presented a letter from Fair Board Chairman Jim Pitt requesting consideration of a temporary fence to address safety concerns. The Fair proposed to erect a 5 foot tall woven wire fence using steel posts, which would be the same type fence erected each year for the perimeter of the fair grounds. Mr. Pitt further stated that the Fair, within a reasonable time following this year's event, will take whatever steps are necessary to see that a proper fence is erected. After further comments, motion was made by Council Member Pelley, seconded by Vice Mayor Perkinson, to approve the Fair Board's request to erect the temporary fence prior to the opening of the fair and to erect the permanent fence, as specified by the project engineer and approved by the City of Athens, within a reasonable time following this year's fair. Upon discussion, motion was made by Council Member Myers, seconded by Mayor Proffitt, to amend the motion by requiring that these deficiencies be completed by the end of the current calendar year. However, after continued discussion, the motion to amend was withdrawn by Myers and Proffitt. Upon roll call, the motion was approved by the following vote:

AYES: Alvey, Myers, Pelley, Perkinson, Proffitt
NAYS: None

As discussion continued, motion was made by Mayor Proffitt, seconded by Vice Mayor Perkinson, to request the punch list items, as prepared by project engineer Carl Thompson dated August 7, 2006, be finished by the end of the calendar year. The motion further requests that progress reports be made in conjunction with the Council's monthly work sessions. Upon discussion, it was Council Member Pelley's preference for city staff to meet with Mr. Pitt in an effort to determine a timeline that is realistic. After other comments and upon roll call, the motion was approved by the following vote:

AYES: Alvey, Myers, Perkinson, Proffitt
NAYS: Pelley

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CITY MANAGER PERFORMANCE APPRAISAL

Based on the results of an annual performance evaluation of City Manager Moore performed by the five council members, Mayor Proffitt confirmed the average recommendation to reflect an increase of 2.64% in the city manager's base salary for fiscal year 2006/07. After further comments, Council Member Pelley moved that City Manager Moore receive *no raise* for the current budget year. The motion was seconded by Council Member Alvey. After discussion by council members, the motion failed by the following roll call vote:

AYES: Pelley
NAYS: Alvey, Myers, Perkinson, Proffitt

As discussion continued, Council Member Alvey moved approval of a two percent reduction in the Manager's salary. The motion was seconded by Council Member Pelley; and after comments by council members, the motion failed by the following roll call vote:

AYES: Alvey, Pelley
NAYS: Myers, Perkinson, Proffitt

As discussion continued, motion was made by Mayor Proffitt, seconded by Vice Mayor Perkinson, to approve a three percent raise of the City Manager's base salary for fiscal year 2006/07. After comments by council members, the motion was approved by the following roll call vote:

AYES: Myers, Perkinson, Proffitt
NAYS: Alvey, Pelley

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COMMITTEE APPOINTMENT – SE TN TRADE & CONFERENCE CENTER

Mayor Proffitt advised that Cindy Runyan, representing Tennessee Wesleyan College on the Southeast TN Trade & Conference Center Board since 2002, has declined reappointment at the expiration of her term on August 20, 2006. Mayor Proffitt presented a letter dated July 11, 2006, from Mr. Larry Wallace, Vice President For External Affairs at Tennessee Wesleyan College, recommending the appointment of Mr. Blake McCaslin, Director of Public Relations for TWC, to fill this vacancy. Mr. McCaslin's committee application was presented for Council's consideration. After confirmation that this committee member does not have to reside in the city limits, motion was made by Council Member Alvey, seconded by Council Member Pelley, to appoint Blake McCaslin to serve a three-year term as TWC's representative on the Southeast TN Trade & Conference Center Board, expiring August 20, 2009. Upon roll call, the following vote was recorded:

AYES: Alvey, Myers, Pelley, Perkinson, Proffitt
NAYS: None

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COMMITTEE VACANCY – MCMINN COUNTY LIBRARY BOARD

Mayor Proffitt acknowledged receipt of a letter from Dr. Robin Pierce resigning as a member of the McMinn County Library Board due to health concerns. Upon mutual acceptance of Dr. Pierce's resignation and upon consideration of other applicants, motion was made by Council Member Alvey, seconded by Council Member Myers, to appoint Ralph Baldwin to fill the unexpired term through June 30, 2009. Upon roll call, the motion was approved by the following vote:

AYES: Alvey, Myers, Pelley, Perkinson, Proffitt
NAYS: None

MANAGER'S REPORT

City Manager Moore presented the Manager's Report. He reviewed progress of current city projects/meetings scheduled during the months of August and September. As discussed in recent work session, the council scheduled a Listening Tour for Thursday, August 24, at 5:30 p.m. to be held on the entrance plaza to the Mayfield Dairy Visitor Center. Mayfield has agreed to donate free mini ice cream sandwiches to those in attendance. After additional discussion, the report was accepted as presented. At the conclusion of the report, Mayor Proffitt expressed condolences to Joe Muscatello of the Tennessee Municipal Bond Fund regarding the recent passing of his wife and advised that the family will be receiving friends in Knoxville on the following evening.

ADJOURNMENT

There being no further business to come before the meeting and upon motion duly made and seconded, the meeting adjourned at 9:20 p.m.

JOHN M. PROFFITT, Mayor

MITCHELL B. MOORE, City Manager