

**CITY COUNCIL MINUTES
NOVEMBER 3, 2009**

The Harriman City Council met in regular session November 3, 2009 at 7:00 p.m. in the City Municipal Complex. The Honorable Chris Mason, Mayor was present and presiding. Mayor called the meeting to order with the Pledge of Allegiance and a prayer by Councilmember Wright. Roll call of Council was as follows:

PRESENT: Buddy Holley
Kenyon Mee
Ken Mynatt
J D Sampson
Chase Tedder
Lonnie Wright

ABSENT:

Mayor Mason asked for a motion to approve the minutes from October 13, 2009. Councilmember Tedder made the motion and Councilmember Holley seconded. The motion passed with a unanimous roll call "Yes".

Mayor Mason asked for a motion to pay the salaries. Councilmember Mee made the motion and was seconded by Councilmember Mynatt. The motion passed with a unanimous roll call "Yes".

DELEGATIONS

Mayor Mason asked the public if anyone would like to approach Council.

Mike Barr with the Championship Rodeo informed council that they would be in town this weekend November 6th and 7th at Roane State Expo center. He asked council for a donation for prize money. Mayor Mason stated that we didn't have any money budgeted for things like that. Mayor Mason told him he would call around tomorrow and see if he could help them out.

Chief Brad Goss approached council and asked for approval to replace the hydrant on Emory St. The initial cost was around \$1000 but once HUB started digging they ran into a few problems and the total is now going to be \$2571.27. Chief Goss gave each councilmember a break down of the cost. Councilmember Wright asked if they had the money in their budget to cover the cost and Chief Goss stated that he did. Mayor Mason stated that Chief Goss is working with HUB to come up with a hydrant replacement schedule so we don't have to spend out so much money at once. Councilmember Wright asked Chief Goss why we would want to save that old building. Chief Goss stated that they cannot just set there and let the building burn. He stated that he is unaware of what is in the building that could possibly let off toxic fumes and be harmful to the residents and the city would be responsible. Councilmember Tedder made a motion to spend the money to replace the fire hydrant at Emory Drive and was seconded by Councilmember Sampson. The motion passed with a unanimous roll call "Yes".

Chief Brad Goss asked for the council to approve the fire department go to a 24/48 hour shift. He stated that this will save the city money in overtime and it was recommended by the Fire Board for council approval. Mayor Mason stated that the recommended transition date would be December 28, 2009 at 8am. Mayor Mason asked for a motion to approve the transition date of December 28, 2009 for the 24/48 hour shift schedule for the fire department. A motion was made by Councilmember Mynatt and seconded by Councilmember Tedder. Councilmember Wright made sure that everyone was in agreement. After much discussion the motion passed with a unanimous roll call "Yes".

OLD BUSINESS

Mayor Mason asked Harold Balcom to give an update on Pinnacle Point. Harold stated that he and Dr. Kerley went to mediation involving Pinnacle Point and to say it was fruitless would be the beginning of everything. Harold stated that the opposing parties were the one's to request mediation and they didn't hear any rational arguments or see any documents that would justify any position that they took. They just left with no resolution. He stated that it was time everyone knew what the numbers are and they come to around \$2 million. He didn't bring the exact number with him but that is the ballpark

figure that is owed to the City of Harriman. Prestige Land Company paid back \$519,000 and the state audit says that they still owe around another \$230,000. Harold stated that the city hired BWSC to do engineering study and the study was for the public improvement only. Once we got the original bids for the project, which the City had never seen, the low bid came in from Brian Mullins Excavating, Inc. The bid was for around \$900,000 +. After all the numbers are figured in, the public land improvements should have only cost around \$1.2 million and the City of Harriman paid around \$3.2 million and the city had said that they would only pay up to \$3 million for the improvements. Harold stated that the lowest number they could probably see is around \$1.5 million and the highest around \$2+ million. Harold stated that the city spent interest on money that they should not have had to. He thinks that the interest will probably be around \$200,000. Harold stated that he is working on the lawsuit and he needs council approval to continue to work with BWSC. Dr. Kerley agreed with Harold that the mediation was fruitless. Councilmember Mee asked why the state audit came in so low. Dr. Kerley stated that the state didn't have the original bids when they did their audit. Harold stated that he is also going to file suit against Site Inc., David Robinette, DK Properties and Limited Too. Councilmember Sampson asked what if they file bankruptcy. Harold stated that he did not see DK Properties filing bankruptcy at this point. Councilmember Mee asked what the attorney fees are going to be. Harold stated that it was hard to tell right now. He estimated around \$30,000-\$45,000 for the attorney fees and probably about \$20,000-\$30,000 for BWSC. Harold stated that he just needed council approval to continue to use BWSC and to include the individuals he named earlier in the law suit. Councilmember Tedder asked when he sees this being heard in court. Harold said it will likely be around 18-24 months to get it into court. Mayor Mason asked for a motion to work with Barger, Wagner, Sumner and Cannon and include any additional parties in the law. Councilmember Sampson made the motion and was seconded by Councilmember Mynatt. The motion passed with a unanimous roll call "Yes".

Mayor Mason asked Councilmember Wright if he had any old business. Councilmember Wright stated that he did not have any at this time.

Mayor Mason asked Councilmember Mynatt if he had any old business. Councilmember Mynatt wanted to mention the Tree Gala. It will be November 27th and 28th. He stated that if you want to go on the 27th you have to purchase a ticket in advance. The tickets are \$25 per person or \$50 per couple. This is a tree decoration and auction to benefit the restoration of the Temperance Building.

Councilmember Mynatt wanted to say, he was elected to this position to represent the citizens of Harriman and consider what is best for them. That is exactly what he will do. He stated that if you didn't want anything to be discussed this way, then do not bring it up, because he would ask questions and make comments on any item brought before this council.

Mayor Mason asked Councilmember Tedder if he had any old business. Councilmember Tedder stated that they need donations for the Temperance Building. They do not just need money but they could use volunteers to work. He also stated that a third floor window sash at the Temperance Building needed to be fixed. He stated that this would probably fall under an emergency action. He stated that it could potentially fall and hurt someone. Mayor Mason asked what it would cost. Councilmember Tedder stated that he wasn't sure. Councilmember Tedder made a motion to pay to fix the sash and was seconded by Councilmember Mynatt. The motion passed with a unanimous roll call "Yes".

Mayor Mason asked Councilmember Sampson if he had any old business. Councilmember Sampson inquired if anyone had asked Bob Tidwell to look into the sewer line installation for Highway 70. The City Clerk answered that she did tell Bob to look into the matter. Bob stated that he had not looked into it yet but it was on his things to do.

Councilmember Sampson stated that when they had their meeting with HUB that everyone that needed to be there was not informed about the meeting. He wanted to delegate someone to be in charge to contact everyone that needs to be at the meeting. Mayor Mason asked Bob Tidwell if he would do that. Bob stated that he would.

Mayor Mason asked Councilmember Mee if he had any old business. Councilmember Mee stated that he did not have any at this time.

Mayor Mason asked Councilmember Holley if he had any old business. Councilmember Holley stated that he did not have any at this time.

Mayor Mason stated that TVA had contacted him and said that the paperwork is being finalized for the paving of Pansy Hill and Emory Height Road which ever needs to be done. It also includes the project for the library.

Dr. Kerley stated that he had some good news and bad news. He stated that the loan was approved by Bank of America through TML. The interest rate is 0.16 but they have added an administration fee which adds up to 1.63 and add that to 0.16 and that gives you an interest rate of 1.79%. Over 90% of the interest is for administration fees. After much discussion a motion was made by Councilmember Mynatt to authorize Dr. Kerley to move forward with the loan without refinancing the Capital Outlay Note 1 & 2 and was seconded by Councilmember Holley. The motion passed with a unanimous roll call "Yes".

Dr. Kerley stated that HUB needs a letter requesting a meter to be installed for the gazebo. Mayor Mason stated that he would do that tomorrow.

AGENDA

Discuss and possibly take action on bidding out insurance

Mayor Mason stated that the city tried this last year and he wanted to try it again this year. He stated that it has to be done by December 31, 2009. Mayor Mason asked for a motion to take bids on the insurance. A motion was made by Councilmember Tedder and seconded by Councilmember Wright. The motion passed with a unanimous roll call "Yes".

Discussion about identification of possible redevelopment & urban renewal area

Mayor Mason stated that after the meeting with the Housing Authority last month, they need to come up with a district to try and get the downtown area cleaned up. After much discussion Mayor Mason asked the Clerk to put this item on next weeks agenda.

Mayor Mason stated that the Fire Truck Bids were opened prior to the meeting and are as follows:

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|----------------------------|-----------|
| American Lafrance | \$368,951 |
| Heritage Fire Equipment | \$371,000 |
| Pierce Manufacturing | \$379,017 |
| Sutphen | \$272,634 |
| Ferrara Fire Appratus, INC | \$347,698 |

Mayor Mason stated that the Fire Board and the Chief would look over each bid and make sure which bid met the specs set out.

Mayor Mason reminded everyone about the Rodeo at Roane State Expo Center November 6-7. November 7 is the open house for Pattycake Pastries at !0:00am. This will be in the Old Merrimac Bakery. November 11 at 11:00am a Veterans Day Ceremony will be take place at the River Front Park. November 27th and 28th the Christmas Tree Gala. The Christmas parade is set for December 3rd at 7pm. Please contact buffy Mee or Beth Crass at 385-6528. The registration form is located on our web site. The last order of business Mayor Mason wanted to wish Angie Skidmore, the city clerk, a Happy Birthday.

There being no further business, motion was made by Councilmember Tedder and was seconded by Councilmember Mynatt. Motion to adjourn was passed with a unanimous "Aye".



Christopher B. Mason/Mayor

Angela Skidmore/City Clerk

