The Mayor and Board of Commissioners of the Town of Englewood met in regular session on Monday, January 13, 2014 at 6:00 P.M. in the Municipal Building.

**ROLL CALL**

Mayor Tony Hawn called the meeting to order with commissioners, Jeanne Nichols, Alan Phillips, Jerry Shirk and Wes Atwell present.

**INVOCATION**

Invocation was given by Jerry Shirk.

**DECEMBER 2013 MINUTES**

**Motion was** made by Phillips, seconded by Nichols to approve the December 2013 Minutes. All Ayes.

**COMMUNICATION FROM THE MAYOR**

Mayor Hawn read the certificate from the Tennessee Association of Utility Districts, which is a certificate signifying that The Englewood Water and Gas is in good standing for the year 2014 and is a valuable asset to the state’s water, wastewater and gas industries deemed by the association. The certificate also stated that TAUD’s mission is to provide the highest quality technical, legal and operational support to assist its members in delivering safe and efficient services.

**COMMISSIONER REPORTS**

There were none at this time.

**OLD BUSINESS**

**COMMUNITY DEVELOPMENT GRANT UPDATE**

Mayor Hawn gave an update about the CDBG I&I improvements project Resolution #105. He stated that the Southeast Tennessee Development District had said that the odds look good in our favor this year to be accepted since we scored high enough during last year’s application process but were replaced by someone else per the governor’s request. Town Manager Moses said that Chuck Hammonds said that we could add $50,000.00 more to fix added repairs at a minimum cost if the Board would like to increase to $300,000.00 total. **Motion** was Phillips, seconded by Atwell. All Ayes.

**NEW BUSINESS**

**RICHARD HILL WITH THE 2012-13 AUDIT REPORT**

Richard Hill with Mitchell, Emert & Hill C.P.A. addressed the Board concerning the 2012-2013 fiscal year audit report. Hill stated that it was a “clean audit”. Hill also stated that the Water and Sewer fund lost approximately $87,000.00; however the Natural Gas fund made money. Phillips questioned Hill about writing off the water plant from the depreciation schedule, but Hill stated as long as the plant is in use it needed to remain on the schedule. There were two audit findings:

Finding Number 2013- A-1- Financial Oversight

*Finding:* A journal entry was recorded incorrectly that overstated miscellaneous revenue in the general fund by $152,610 and was not detected or corrected by management or the Mayor and Board of Commissioners during the year ended June 30, 2013.

*Recommendation:* Both management and the Mayor and Board of Commissioners should review the financial statements on a monthly basis in order to provide adequate oversight of the financial reporting process and to detect and correct material misstatements in a timely manner.

*Management’s Response:* We concur. We will review all journal entries in a timely manner and document management approval for all journal entries in the future.

Finding Number 2013-A-2- Competitive Bidding

*Comment:*  Management did not follow the bid process specified in T.C.A. sections 6-56-301 through 6-56-306. A backhoe was purchased for $77,147 without publically soliciting bids from vendors.

*Recommendation:* Management should follow the bid process specified in T.C.A. sections 6-56-301 through 6-56-306, requiring obtaining bids for all non-emergency goods and services in excess of $10,000.

*Management’s Response:* We agree. We will ensure that all future purchases that require competitive bidding will be done in accordance with policy.

**TAUD CERTIFICATE**

Mayor Hawn spoke on this under his communications.

**MATTHEW & HEATHER CHEEK-WATER LEAK**

Matthew nor Heather were able to attend the meeting so City Recorder Nicole Johnson addressed the Board concerning their account and how they had a leak in October and had already had one adjustment, so any other adjustments on the account would have to be approved by the Board. Commissioner Shirk spoke up and stated that Heather was his daughter so he would have to take a back seat concerning this situation; however he ask his fellow Board members how they could expect to charge the sewer rate on the account when in fact it never went through the sewer? Phillips answered that it is in our policy to give one adjustment every five years and if we changed it for one we would have to do it for everyone. Nichols also said she felt that if sewer was not used we should not charge. Town Manager Moses stated that in the past in a similar situation a customer was allowed per the previous Board to do a pay agreement to pay the normal bill plus $20.00 every month and to be made penalty exempt until the total amount was paid. Mayor Hawn said that he would agree to let Heather and Matthew do that as well. **Motion** was made by Nichols, seconded by Atwell to approve a pay agreement to be done by Matthew and Heather to pay $20.00 plus their normal bill each month and to be made penalty exempt until the entire amount of $2,205.14 is paid in full. Nichols, Phillips, Atwell and Hawn, Aye. Shirk Nay.

**DANA LANE-WATER BILL**

Dana Lane was not present for the meeting.

**FINANCIAL REPORT**

Town Manager Moses read the December 2013 financial report. **Motion** was made by Phillips, seconded by Nichols to approve the financial report. All Ayes.

**POLICE REPORT**

Police Chief Darrell Wright read the Police report. Wright also made mention that he has hired two part time officers and there will be five reserve officers in the near future.

**FIRE REPORT**

Assistant Fire Chief Neil Moses read the Fire Report.

**ANY OTHER LEGAL BUSINESS TO COME BEFORE THE BOARD**

Public Works Director Joe Hardwick presented the Board with a quote from Consolidated Pipe and Supply Co. for a Mcelroy Socket Fusion Kit and a Ipex Genesis F3 in the amount of $7,516.00. Hardwick stated that any time he has to electro fuse he has to call Etowah Utilities in for a lot of our gas taps. He stated that this would help us out in the long run. Atwell asked how many gas taps we do a year; Hardwick responded maybe five or six. Shirk ask how much Etowah charged to come and help out; Hardwick answered that he was not sure at this time. The Board said they would like to see more quotes from other companies. Town Manager Moses then ask Mr. Hardwick to give a review of the utility trucks conditions, Hardwick stated both utility trucks are down and that they have been repairing them as needed but are in bad need of a new truck. Hardwick stated they have been driving the Colorado and the meter reader will need it soon and if the Board will look into purchasing another truck within the near future.

Town Manager Moses addressed the Board about a company called Doc Star which is located in Knoxville, TN that is a scanning company. Moses said that this would help as far as our storing issues; Doc star would charge $79.00 a month and an additional $20.00 to host an off-site location for the backup. The Board said they would like to see more information about Doc Star before a decision was made.

Moses then ask Police Chief Wright to address the Board about a recent law suit that the City is in that involves a Lincoln Navigator that was seized and granted to the city in 2009 . Wright stated that we received a clear title for the vehicle on Oct. 4, 2010. The Police Department used the vehicle for a while then decided to sell it on Gov Deals, it was sold to a dealer in Florida and the dealer claims that he cannot sell the Navigator because the state had made a mistake and in fact the title is salvaged. Moses then ask the City Attorney, Russ Blair if there was anything else to add on this issue. Blair stated that there is a scheduled court date for Jan. 21, 2014.

Moses also gave an update that Superior Sanitation is in compliance with what has been ask of them and the lot is clear.

Moses then addressed the Board with a new proposed rate schedule for small business commercial. Phillips stated that he himself is a small business owner and he has spoken with other small business owners in the City and they are not happy. Moses said she understands and that is why she is trying to come up with a solution before the next month’s bill which will go out on 01-30-2014. Moses stated that small business would be customers that use under 2500 gallons of water a month. **Motion** was made by Phillips, seconded by Nichols to approve this as the first reading of Ordinance # 01-20-14-79 an ordinance to amend the commercial business water and sewer rates. The ordinance reflects a differential structure for small and large business’ There will be a called meeting on Monday January 20, 2014 at 5:30 P.M. for the second and final reading of this ordinance. All Ayes.

Moses also informed the Board of TML’s request and that the outlets were fixed at the Pavilion and that she had done a check on every employee’s license that would be driving a city vehicle and this would be done every three years. Phillips ask about the Swimming pool and Moses responded that we are going to have to make the pool more handicap accessible, we will either have to put steps in or a lift. The Board then decided there would have to be more discussion on which to decide on for the pool.

**ADJOURNMENT**

**Motion** was made by Phillips, seconded by Atwell to adjourn the meeting. All Ayes.

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**MAYOR RECORDER**