

The Mayor and Board of Commissioners of the Town of Englewood met in regular session on Monday August 11, 2014 at 6:00PM. The meeting was held in the Community Center Room inside the Municipal Building.

Call To Order

Mayor Hawn called the meeting to order.

Roll Call

City Recorder Sondra Denton gave roll call with commissioners Wes Atwell, Jerry Shirk and Alan Phillips present. *Jeanne Nichols was not present for the meeting.* Also present were Town Manager Jamie Moses, Police Chief Gary Miller and Assistant Recorder Clerk Haley Guidry.

Invocation

Invocation was given by Shirk.

Communication from the Mayor

There were no communications from the Mayor.

Commissioner Reports

Commissioner Phillips thanked Commissioners Wes Atwell and Jeanne Nichols for their term of office and commended them for filling the two (2) empty seats in 2012.

Approval of July Minutes

Motion was made by Phillips, seconded by Shirk to approve the July 2014 Minutes. All Ayes

Old Business

First Reading of Ordinance 08-11-14-86; An Ordinance to Amend Title 3 Municipal Courts Section 3-102 (1)(D); Town Judge Qualifications: Appointment; Compensation; Etc. to Increase the Town Judge Salary from \$250 a month to \$400 a month.

Motion was made by Phillips, seconded by Atwell to pass on First Reading Ordinance No. 08-11-14-86, an ordinance increasing the Town Judge's salary from \$250.00 to \$400.00 a month. All Ayes

2nd Court Date for Municipal Court and Rate of Pay for Judge Green

Discussion was made concerning the need to have an extra municipal court hearing date. **Motion** was then made by Phillips, seconded by Shirk to set an extra municipal court date to be held on the second Tuesday of every month and to start at 4:00 PM. All Ayes

New Business

Alan Lingerfelt with Atmos Marketing to Discuss Natural Gas Transmission Line

Alan Lingerfelt with Atmos Energy Marketing addressed the Board concerning the natural gas pipeline Englewood's Tennessee Gas Pipeline (TGP) contracts is up for renewal 11/1/15. TGP requires 1 year notice by 10/31/14 to make any changes to the contract. The contracts renews for 5 year increments once it rolls. This is the opportunity that only comes around every 5 years when the contract is up for renewal. Englewood has the option to renew the contract and continue paying the TGP rate. TGP does plan to file a rate case in November 2014. We do not know if the rate will increase, decrease or stay the same. The current TGP blended rate is \$0.5368. Unfortunately, Englewood has to make the decision before the rate case is filed. Also, keep in mind that when Englewood turns the contract back to TGP, they probably will not renew the current FT-GS contract at a later date.

Atmos Energy Marketing, (AEM) is proposing a Delivered Service to replace the upstream transportation and storage transport at a rate of \$0.35 per dth on transport and \$0.20 for storage injection transport / \$0.20 for storage withdraw transport. AEM proposed a 3 year term that will extend the current AEM contract through 11/1/15 with a renewal term ending 10/31/18, will a roll provision for 3 years with a year notice to change. Based on these current rates, Englewood should see an annual saving of around \$2,800 per year. **Motion** was then made

by Phillips, seconded by Atwell to terminate the contract with the Tennessee Gas Pipeline and enter into a contract with Atmos Energy Marketing. All Ayes.

Financial Report

Denton presented the Board with the July 2014 Financial Report.

Sales and Use Utility Tax Audit Report

Denton addressed the Board concerning a state utility audit which was performed in June 2014. Linda Everett with the Tennessee Department of Revenue was the person to perform the audit. Denton stated that the utility department had not been charging commercial natural gas customers the state mandated rate of seven percent (7%). Denton informed the Board that the utility personnel did not know that a tax was mandatory on commercial gas customers and that she had called the cities auditor Richard Hill to see if he knew of the requirement had he did not know either. Denton also called the software provider, Local Government Corporation to see if they knew about the requirement and the person she spoke with said they did not know of the requirement either. Denton further stated that she had informed Ms. Everett that she and Ms. Moses had attended numerous classes regarding state mandated rules on utility departments and no one had ever mentioned a tax on natural gas commercial customers. Also, commercial water customers who did not have a tax exempt form on file in City Hall were notified in writing that a tax exempt form would need be turned in to the utility department for them to remain tax exempt. During the audit it was determined that the utility department had underpaid \$ 421.80 on the utility taxes for the period beginning December 2010 and ending May 2014. The natural gas tax which had not been charged to the customers was \$5,930.73. The auditor stated the utility department had the authority to back bill the customers which had not been charged for the taxes or the utility department could pay the taxes itself. The total due to the state was \$6,352.53 which was paid on June 27, 2014 to keep the payment in the same fiscal year as the audit was performed. Denton then asked the Board if they would like to bill the commercial gas customers for the delinquent tax payments at which time the Board said not to back bill the customers.

Resolution 113 for Approval to borrow \$750,000 of SRF Funds for Repairs at the Water Plant

Motion was made by Phillips, seconded by Shirk to adopt Resolution No. 113; which is a resolution allowing the Mayor to borrow funds not to exceed \$750,000.00 for repairs at the Water Plant. All Ayes:

*A RESOLUTION OF THE GOVERNING BODY OF ENGLEWOOD, TENNESSEE
AUTHORIZING THE ISSUANCE, SALE, AND PAYMENT OF CAPITAL IMPROVEMENT NOTES NOT TO EXCEED
\$750,000.00.*

*WHEREAS, the Town of Englewood, Tennessee has determined that it is necessary and desirable to provide funds for the following public works project: **Water Plant Improvements**;*

WHEREAS, under the provisions of Parts I, IV, and VI of Title 9, Chapter 21, Tennessee Code Annotated (the “Act”), local governments in Tennessee are authorized to finance the cost of this Project through the issuance and sale of interest bearing capital improvement notes upon the approval of the State Director of Local Finance; and

NOW THEREFORE, BE IT RESOLVED, by the Town of Englewood, Tennessee, as follows:

Section 1. *That, for the purpose of providing funds to finance the cost of the Project in and for the Local Government, the Chief Executive Officer of the Local Government is hereby authorized in accordance with the terms of this resolution to issue and sell interest-bearing capital improvement notes in a principal amount not to exceed Seven Hundred Fifty Thousand Dollars (750,000) (the “Notes”) at a competitive public sale upon approval of the State Director of Local Finance pursuant to the terms, provisions, and conditions permitted by law.*

Library Grant

Librarian Rachael Jones addressed the Board regarding a library grant. Jones said that she had applied for a grant which is a matching technology grant. The grant is for \$903.00 and the town would be required to match it at \$903.00. The grant will pay for two (2) new computers, upgrade two (2) old ones that are currently in use at the library and will pay for toner. Also, this is a grant the library may apply for annually. Jones stated that she had applied for the grant before Board approval because of the July 31, 2014 deadline, but she had received authorization from the Town Manager. **Motion** was made by Phillips, seconded by Shirk to approve the grant application. All Ayes

Library Board Appointment

Moses then said the Library Board needs a new member since Jeanne Nichols term of office has expired. Mayor Hawn then appointed Allan Phillips to the library board.

Englewood Youth Baseball Donation

A donation request from the Englewood Youth Baseball was presented to the Board. **Motion** was made by Shirk, seconded Phillips to donate \$100.00 to the league. All Ayes

Donation Request from McMinn Central Marching Band

A donation request from the McMinn Central March Band was presented to the Board. **Motion** was made by Shirk, seconded by Phillips to donate \$100.00 to the band. All Ayes

Brush Pick Up

Discussion was then made concerning several complaints the Board had received from citizens regarding brush pickup. Hardwick was asked to elaborate on the subject and Hardwick said that McMinn County Sherriff’s Department had helped the town with the brush cleanup from the storm that passed through in early summer. Hardwick further stated that citizens were cutting their trees down for pickup and that was not part of storm damage. Sue Bishop then spoke up and said that she had storm damage that needed to be picked up at which time Mayor Hawn informed her that she was on the brush pickup list. It was further mentioned that brush pickup was not a requirement of the town.

Police Dept. Report

Police Chief Gary Miller presented the July 2014 Police Department report.

Fire Dept. Report

Fire Chief Billy Roach read the July 2014 Fire Department report.

Local Park and Recreation Grant

Mayor Hawn read a letter stating the town had received a Local Park and Recreation Grant in the amount of \$50,000.00. The grant will be a 50/50 match. Moses asked Hardwick to give an update on the pool and he said to have the pool refurbished would be \$100,000.00. He also stated that the pump at the pool burnt up and would need to be repaired. Moses then stated that the Economic Development District would help with getting accurate quotes for the repairs at the pool. **Motion** was made by Phillips, seconded by Atwell to approve the grant in the amount of \$50,000.00 with the town’s match to be \$50,000.00. All Ayes

Moses then asked Hardwick to explain the problems the water plant is having. Hardwick said that filter No. 2 is having major problems and could quit at any time. Moses stated that if the number 2 filter becomes inoperable that we would have to open up the Etowah water valve to feed our lines as needed.

Citizen Comments

Blythe Maxwell addressed the Board concerning a posting on social media which stated anyone backing out of a parking area onto a highway would receive a traffic citation. The reason she was asking was because she owns the Post Office and backing into the highway was the only option the public had to leave the parking area. Chief Miller responded to the question and said there is no law regarding backing out of a parking spot illegal, but the post that she was referring to was due to a driver who had backed out from the Post Office and caused an accident.

Adjournment

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

Mayor

Recorder