

January 26, 2009

REGULAR CITY COUNCIL – MINUTES

Mayor Winfred Shoopman called the regular Clinton City Council meeting to order on January 26, 2009, at Clinton City Hall at 5:36 p.m.

Guest and Staff present:

Ronald Young
Ron Bridgeman
Vaughn Becker

Steve Jones
Vickie Fagan
Chris Osborne

Dale Isabell
Eddie Kherani
Tracy Branham

Councilman Jerry Shattuck made the motion to approve the agenda as presented and was seconded by Councilman Charles Lyons. The motion was moved to carry unanimously.

Councilman Jim McBride led the meeting in prayer.

Councilman Charles Lyons led the pledge of allegiance.

Councilman Charles Lyons made a motion to approve the December 12, 2008 Regular City Council minutes as received, and Councilman Jim McBride seconded the motion. The motion was moved to carry unanimously.

Committee Reports

School Board Report –

Director of Schools Dr. Vickie Violette had 4 items for Council. The first item was to thank the City for their support of the laptop initiative. Ms Violette noted that there are 104 6th grade students and 56 of those are city residents and 48 do not qualify for the distribution portion of the program. Each laptop cost \$850.00 for a total of \$182,500 of which \$135,000 came from the city and the remainder was made up from contributions and school input. Dr. Violette noted that with the laptop initiative the total number of computers in the school system is now 527. Dr. Violette also offered her appreciation for the support of the outdoor classroom (gazebo) and nature trail. The labor from City employees brought the total cost to \$6,300 and when the project was bid, the bids were in excess of \$10,000. Dr. Violette also reminded Council that in the upcoming year the school system's greatest need will be help with debt service requirements. Dr. Violette shared the ranking of the Clinton School System with Council by the Greater Knoxville Business Journal. The City of Clinton School System was ranked second in the greater

Knoxville area. The Schools were ranked sixth last year. The ranking is based on state report cards.

Dale Isabell informed Council that next year's budget would not include extended contract money, safe schools grant and BEP funds will decrease by \$69,000 because they will have less special education children in the system. Mr. Isabell also noted that the Superintendent has tightened the budget for the remaining year due to lagging sales tax revenues. Mr. Isabell noted the main objective for next year will be to avoid lay-offs. Mr. Isabell requested approval of budget amendment #6. Councilman Jerry Shattuck made the motion to approve budget amendment #6 as presented and was seconded by Councilman Scott Burton. The motion was moved to carry unanimously.

Clinton Regional Planning Commission Report –

The Board of Zoning Appeals met on January 12, 2009. Barbara Bullock requested an administrative review for use of property located at 714 Eagle Bend Road. The request was deferred until the February meeting. Summers & Sons Monument at 377 Clinch Avenue requested a variance to allow an accessory structure in the side yard setbacks. The Board approved the request. H&R Block requested a variance to exceed maximum allowed wall signage at 118 Tanner Place. The request was approved.

Clinton Regional Planning Commission approved a request from Steve Pemberton for final plat approval for property located at Rose Street. B & B Properties was approved a proposed preliminary site plan for a planned unit development located at 99 Mariner Point Drive. The Board reviewed some zoning changes. The Board approved to send notification to property owners from Magnet Mills to Nave Street for possible rezoning to commercial. Proposed changes to the zoning regulations were discussed and the state planner will have the proposed changes in February.

Clinton Utilities Board Report –

CUB met on January 8, 2009 and approved pay vouchers of \$8,253,456 with a net income of \$156,421.00 for the month. Councilman Lyons reported that the wastewater pumping station is completed at approximately \$3,000 over budget. The utility is continuously enhancing security at all facilities including substations. 19,500 electric meters have been replaced with the new meters that generate \$1 savings per month. There are no rates increases in any department and the electric rates have only been raised once since 1988. Water and sewer rates remain constant and the lowest in the area.

Mayor's Commission –

No report was given.

CITY MANAGER'S REPORT

GENERAL INFORMATION

1. The Green McAdoo Cultural Center will be hosting a special exhibit entitled “*Free at Last: Emancipation and Reconstruction in Tennessee*” during the month of February in conjunction with Black History Month. This exhibit is on loan to us from the Tennessee Civil War National Heritage Area. A special reception will be held prior to the exhibit opening on Saturday, January 31st from 6:00 pm to 8:00 pm at the Green McAdoo Cultural Center. Admission to this special exhibit and the Green McAdoo Cultural Center is free of charge.

CURRENT PROJECTS AND ACTIVITIES

1. *CLINTON I-75 FIRE HALL* – There has been no status change on this project since last reported.
2. *GROWTH COORDINATING COMMITTEE*
The amendments requested by us in the Anderson County Growth Plan were passed unanimously earlier this month. The amended Anderson County Growth Plan will now be considered by the Anderson County Commission and the legislative bodies of all the municipalities in Anderson County within the next 120 days. Passage of the amendments will not constitute annexation; however the associated properties would be within the City of Clinton’s Urban Growth Boundary, making it easier to annex upon the appropriate request.
3. *ROADSCAPES GRANT* – Because TDOT has now indicated (citing Federal Highway Regulations) it could be another 1-2 years before this grant is implemented and there are new requirements whose costs almost exceed the grants themselves. We will not be pursuing this program as aggressively until or if they change some of the requirements.
4. *HOME GRANT/CDBG GRANT UPDATE* – We are currently finishing homes that were brought up to code using the Tennessee HOME grant and we’re getting the contacts in place to implement the Community Development Block Grant (CDBG) for the Byrd Street area of North Clinton. Hopefully, I’ll have implementation dates for the CDBG program by the next City Council meeting.
5. *SMOKY MOUNTAIN LEFT TURN MARATHON* – The City of Clinton and the City of Oak Ridge is hosting the inaugural Smoky Mountain Left Turn Marathon put on by the Roadkill Running Club. An estimated 150 runners will participate in this marathon that starts in Oak Ridge and winds through Clinton

on the way back to Oak Ridge on March 15. Anyone interested in running in this marathon or being a volunteer to support this event can contact the Roadkill Running Club at Beverly@roadkillrunningclub.com.

6. *GREEN MCADOO UPDATE* – The proposed Green McAdoo National Historic Site made great strides a couple of weeks ago when the United States Senate passed the legislation needed to authorize the United States Department of the Interior to conduct a feasibility study for National Park status. Similar legislation has been introduced in the U.S. House of Representatives by Congressman Zach Wamp and should be considered soon. Once it passes both sides of Congress, it must be signed into law by our new President. I will continue to keep the City Council up to date on these exciting events.

The “Clinton 12” documentary is currently being distributed to every school and library in the State of Tennessee thanks to a grant from the Tennessee Valley Authority. In addition to the DVD distribution, a curriculum for use with the DVD has been developed for different age groups. Thank you to Dr. Patricia Brake of the Tennessee Governor’s School, Mr. Brian Justice, from Anderson County High School and our own Councilman/Principal/Retired teacher Larry Gann for their efforts in developing this professional curriculum which will be available by February 3rd at www.greenmcadoo.org.

7. *TDOT PROPERTY AT LAKEFRONT* – The Tennessee Department of Transportation has contacted the City of Clinton to inquire if we are interested in obtaining a portion of their property across from Lakefront Park, at the corner of Clinch and Main. At one time the City considered this piece of property for expansion parking for Lakefront Park; however it is my understanding that it is now being requested by the owner of the private portion of that juncture for development. I have included a rough plat of the property.
8. *RAILROAD MEETING* – Representative Jim Hackworth has arranged a meeting between City officials and Norfolk Southern Railroad officials that is planned for February 13th to discuss City issues including the railroad crossings along Clinch Avenue in South Clinton.
9. *AMERICAN RECOVERY AND REINVESTMENT ACT* – We are closely monitoring the details surrounding the Infrastructure Package being discussed by the incoming Presidential administration and the 111th Congress. This package is known as the American Recovery and Reinvestment Act. We are also having discussions with surrounding local governments looking for opportunities to partner up on infrastructure opportunities. We’re getting details from several different sources and I’ve included a copy of the latest breakdown in your package. It will be important to have projects ready to go once this legislation is passed. Once we have recommendations in place I will provide details to the City Council for feedback.

City Manager Steve Jones updated Council on economic conditions since the November report as follows:

“To: Clinton City Council Members

From: Steve Jones, Clinton City Manager

Date: January 20, 2009

Subject: Economic Analysis and follow-up to November City Council report

Two months have passed since I reflected on the impact of the current global economic crisis and its affect on the City of Clinton’s financial situation. Although the last two months continue to show growth, they also show a pace of growth that is slowing down and a much slower pace of growth than we anticipated when the City budget was passed in June 2008.

November’s growth was only 16.26% over FY 2007/08 and December’s was 26.98% higher, giving us an average growth rate of 33% for FY 2008/09 over the previous year when adjusted for anticipated sales tax generated from new business in the last half of the current fiscal year. Using this short term average, our sales tax projection for the current fiscal year will should be amended to \$3,268,681.00 rather than \$3,810,748.00, a reduction of \$542,067.00 in anticipated revenue. When adjusted for anticipated growth, our sales tax projections are 16.5% lower than projected overall to date.

The following is an attempt to consolidate several hours of briefings by state and federal economists on the global economic crisis that should be considered when addressing not only the remainder of this year’s budget, but the next fiscal year as well:

State of Tennessee

Despite the fact that the State of Tennessee cut their projections by almost \$500 million (most of which was redirected to the State’s General Fund) at the end of the 2008 session of the General Assembly, state economists are preparing for a deficit of \$1.3 billion. The last time the state had such a crisis was in 2002 when Governor Bredesen inherited a \$932 million shortfall. In addition to cuts in spending, the State also reduced state shared taxes to local governments by 9%. At that time, this reduction reduced Clinton’s total state shared taxes by roughly \$125,000.00. Obviously with our growth to date and our increasing dependency on sales

tax to fund City services, this course of action would hit us much harder today. Despite this reduction of state shared taxes, City Council maintained the Property Tax rate (which has remained the same for 14 years)

Since my last economic analysis, this economic crisis has gone from being the worst in Tennessee's history since 1981/82, to the worst in 50 years. November 2008 showed the lowest growth in Tennessee in 50 years. December 2008 was the third lowest month of growth in the same time frame. The State of Tennessee is seeing a 7% decline in Sales Tax receipts compared to the last fiscal year. 42% of all cities in the State of Tennessee are seeing negative growth, receipting less sales tax monies than the previous fiscal year. Over the last two years, building permits have declined 72%. Business taxes are down 24% and unemployment is projected to be 8-9% by mid-2009. Revenues for Tennessee road funding is increasing by only 1.4%, yet expenses for road maintenance and construction have risen 43%. In 2007/08, the State of Tennessee was projecting a \$517 million increase in the General Fund. It ended up reducing the General Fund by \$39.2 million. In the current fiscal year, as of the end of November 2008, the State was already into the General Fund by \$342 million. The only areas in our economy that are seeing growth are government and education and the only area in the projected budget that is safe, according to Governor Bredesen, is K-12 education, which is expected to see a BEP adjustment (increase) of \$65 million.

Although these details show a dismal outlook for the economy as a whole, the State is projecting that we will start seeing a turn around by next year - 2010 - and at this point is projecting a 3% increase in sales tax growth and an 11% increase in building permits. No one is really even trying to predict what will happen between now and then.

City of Clinton

With such a dismal outlook from the State of Tennessee, it's very difficult for the City of Clinton, with a 33% growth rate over last year, to get much sympathy. With this growth however, comes the responsibility to provide city services to our expanding community. Combined with our own fund balance issues, this is where our challenges for the remainder of this year and the next fiscal year lie.

City staff has implemented the described cuts outlined in November's report, which combined with the projected increases of our fund balance adjusted for the interest error, should offset the changes in our projected revenues and apply \$194,660 towards the deficit of our fund balance from the previous two years if we meet our revenue projections from all sources and our current projections stay on course. Keep in mind that the economy is extremely volatile and could go either way at this point. We are currently analyzing our needs using our mid year departmental budget reviews and our annual reports along with associated statistics as a guide.

At the February Clinton City Council meeting, I plan on submitting recommendations to City Council to help us weather the current economic crisis from now through the next fiscal year. There will be many important and possibly difficult decisions to make throughout this global economic crisis.”

DEPARTMENTAL ACTIVITIES

ADMINISTRATION

Finance Report: Finance Director Vickie Fagan reported Total Available Funds thru December 31st at 48% of projections and expenditures at 50% of projections. Ms. Fagan reported in Section II of the finance report that Local taxes are 34%, Licenses and Permits 37%, state funds 47% and Court revenues 30% of projections. In Section III, detailed expenditures General Government 53%, Public Safety 50%, Public Works 51% and Recreation expenditures at 53% of projections.

CODES ENFORCEMENT / BUILDING INSPECTIONS DEPARTMENT

FIRE DEPARTMENT

Review of Annual Report

POLICE DEPARTMENT

1. Detective Jim Campbell is attending the University of Tennessee National Forensic Academy. This \$8,000.00 program is being paid for by scholarship.
2. One of new officers Rob Smith is currently attending the Tennessee Law Enforcement Training Academy.
3. The 15th Annual D.A.R.E. Graduation will be Friday, January 30th at 9:00 am. Clinton Elementary will host the system wide graduation in their auditorium. The Clinton City Council and the general public are invited.

PUBLIC WORKS DEPARTMENT

1. In the Public Works Department, crews have completed the third and final round of leaf collections. I should point out that tons of leaves have been disposed of at our “green wastes” landfill, and not in the sanitary landfill at Chestnut Ridge. This diversion not only saves valuable landfill space, but it also helps us comply with mandated solid waste reductions as required by the Tennessee Department of Environment and Conservation.

2. For the next eight to ten weeks Public Works crews will be performing a city-wide litter collection campaign, along with a drainage way maintenance project. In efforts to enhance flood control, open drainage ditches and drain tiles will be cleared of any blockages when spring rains begin. This maintenance has proven very successful in the past and has become an annual event.
3. The Public Works facility at 210 Nave Street is now using a heater that burns used motor oil, hydraulic fluid, and transmission fluid. The heating system will divert used fluids from the environment and will lower our heating costs. This equipment, including a used oil collection container and portable pump, was purchased using a sealed bid process, with a 100% grant from the Tennessee Department of Environment and Conservation. Anyone needing to dispose of used oils and fluids is invited to use the collection center at our Public Works facility during normal office hours.

RECREATION DEPARTMENT

ORDINANCES AND RESOLUTIONS

A. FIRST READING OF NEW ORDINANCE

B. SECOND & FINAL READING

C. RESOLUTIONS

Resolution #633 – a Resolution approving the amendments to the Anderson County Growth Plan – Councilman Clay Wright made the motion to approve Resolution # 633 and was seconded by Councilman Jerry Shattuck. The motion was moved to carry with Councilman Charles Lyons abstaining from the vote.

VISITORS –

NEW BUSINESS –

COMMUNICATIONS FROM MAYOR – Mayoral Appointments

Mayor Shoopman reappointed Byron Hale to the Clinton Port Authority. Councilman Clay Wright made the motion to approve the appointment of the Byron Hale to the Clinton Port Authority and was seconded by Councilman Scott Burton. The motion was moved to carry unanimously.

Mayor Shoopman appointed Jean Pearson and reappointed Anderson Halcomb to the Clinton Housing Authority for a 5 year term. Councilman Scott Burton made the motion to approve the appointment of Jean Pearson and Anderson Halcomb and was seconded by Councilman Charles Lyons. The motion was moved to carry unanimously.

Mayor Shoopman reappointed April Meldrum to the Community Action Commission for a one year term. Councilman Scott Burton made the motion to approve the reappointment of April Meldrum and was seconded by Councilman Larry Gann. The motion was moved to carry unanimously.

Mayor Shoopman reappointed Ed Rosenbaum, Ronnie Irwin and Councilman Larry Gann to the Clinton Recreation Advisory Board. Councilman Scott Burton made the motion to confirm the reappointment of Ed Rosenbaum, Ronnie Irwin and Larry Gann to the Clinton Recreation Advisory Board and was seconded by Councilman Jim McBride. The motion was move to carry unanimously.

Mayor Shoopman reappointed Shirley Cook, Anna Mae Hale and Richard Holbrook to the Community Development Citizens Advisory Board. Councilman Scott Burton made the motion to confirm the reappointment of the Community Development Citizens Advisory Board and was seconded by Councilman Larry Gann. The motion was moved to carry unanimously.

Mayor Shoopman reappointed Kenny Clotfelter, Joseph Rainey and Tyler Mayes to replace Warren Willis to the Clinton Citizens Advisory Committee for an additional three year term. Councilman Scott Burton made the motion to approve the reappointment and was seconded by Councilman Clay Wright. The motion was moved to carry unanimously.

Mayor Shoopman reappointed Hayden Evans, Robert Willis, Marcie Barton, and Joe Roberts to the Community Relations Committee for a two year term. Councilman Larry Gann made the motion to confirm the reappointment of the Community Relations Committee and was seconded by Councilman Scott Burton. The motion was moved to carry unanimously.

Mayor Winfred Shoopman adjourned the Council meeting at 7:03 p.m.

Mayor Winfred Shoopman

Vickie L. Fagan, City Recorder

Attest: