

February 28, 2011

PUBLIC HEARING – MINUTES

Mayor Burton called the Public Hearing to order on February 28, 2011 at Clinton City Hall at 5:30 p.m. Councilman Larry Gann, Councilman Robert Herrell, Councilman Jim McBride, Councilman Jerry Shattuck and Councilman E.T. Stamey were present.

Mayor Burton opened the public hearing on the following:

Ordinance # 576 – Amending Title 13, Section 13-104 of the Clinton Municipal Code – “Overgrown and Dirty Lots”;

Ordinance # 577 – Amending Title 14, Section 14-309 of the Clinton Municipal Code – “Political Signs”;

Ordinance # 578 – Amending Title 14, Section 14-204.46 and Section 14-309 of the Clinton Municipal Code – “Dynamic Signs, Directory Signs, etc.”;

Ordinance # 579 – Amending the City of Clinton Zoning Map from B-4 (Interstate Business District to R-3 (Multi-Family Planned Residential District) – Tax Map 43, Parcel 121.00, Lot 7 – off Frank Price Boulevard. Mayor Burton asked for comments or discussion. Councilman Jerry Shattuck asked about posting signs on properties that are being re-zoned. Curtis Perez stated that the City currently displays signs on those properties.

Councilman Jim McBride made the motion to adjourn the Public Hearing and second made by Councilman E.T. Stamey. Motion carried.

REGULAR CITY COUNCIL – MINUTES

Mayor Burton called the regular City Council Meeting to order on February 28, 2011 at Clinton City Hall. Councilman Larry Gann, Councilman Robert Herrell, Councilman Jim McBride, Councilman Jerry Shattuck and Councilman E.T. Stamey were present.

Guest and Staff present:

Ron Young	John Rankin	Gina Ridenour
Ken Leinart	Monica Austin Carroll	Rick Scarbrough
Vickie Violette	Archie Brummitt	Roger Houck
Tim Bible	Curtis Perez	
Dale Isabell	Lynn Murphy	

Councilman E.T. Stamey made a motion to approve the agenda as received and Councilman Larry Gann seconded the motion. Councilman Jerry Shattuck made motion to amend the agenda to add Resolution 681 under item “C”, Adoption of Resolutions, second made by Councilman Jim McBride. Motion carried.

Mayor Burton recognized Rev. Stan Elliott of First Baptist Church and asked him to speak about a Community Event, RAM, Remote Area Medical. First Baptist Church will host the event on April 30 – May 1, 2011 and invited the community to get involved and to check their website www.andersoncountyrain.com or to call the Church office. They expect about 1,300 people to attend this free medical event.

Rev. Stan Elliott opened the meeting with prayer and led the pledge of allegiance.

Councilman E. T. Stamey made the motion to approve the January 31, 2010 regular meeting minutes and Councilman Larry Gann seconded the motion. Motion carried.

RECOGNITION OF VISITORS AND CITIZENS

Mayor Burton recognized the visitors and citizens and recognized James Booher to present the City of Clinton's 2009-2010 audit report.

After the presentation Councilman Jim McBride asked for an explanation on page 12, description of long term debt, particularly the SL Tennessee expansion project, where a resolution was passed to fund the expansion and the expansion was completed but the money wasn't used where it was suppose to be. He continued stating the same type of thing happened with the Aisin Project but it was listed as a payable and SL Tennessee listed as a long term debt. He asked Mr. Booher what was the difference? Mr. Booher answered that a Grant Anticipation Note is actually an issuance of long term debt, a formal process of indebtedness to the City versus the Aisin situation which was not. They actually paid the expenditures on behalf of the City. There was no formal document saying we're borrowing money and here are the repayment terms. Therefore the unpaid amount reflected as a current liability. It was simply an unpaid amount. Whereas actual issuance of indebtedness, with a repayment schedule, is considered long term debt. Councilman McBride stated that it was the intent of council to pay it back immediately and our goal was to make the \$650,000 a short term debt. Mr. Booher explained that it gets included with all debt to the City and is included in the current debt. Councilman Jim McBride had another question on the bottom of page 12 regarding "cash flow", with the CUB in lieu tax payments being advanced to the City, nothing wrong with that because it was money they owed us anyway and the City used as cash flow. He asked would it not have been good practice for someone to have informed the Council of that situation. Mayor Burton commented that staff didn't alter the city's budget due to the advancement. Councilman Jerry Shattuck stated that the City Manager did notify council by letter, he believed and it was discussed in a council meeting.

Councilman Larry Gann had questions regarding operating deficiencies, several "findings" at the end of the Audit Report, page 94. He notes three occasions on timeliness of records requested, bank reconcilements, and grant administration extended periods of time and asked how long were these extensions. He stated that he read the City was in arrears of two years and looked at the 2008-2009 audit and found no "findings" listed. He questioned if this has been a problem over the last two years shouldn't the Council been made aware of that? Mr. Booher replied that his firm, as an extra service, reconciled bank statements from December 2009 thru June of 2010 and wasn't aware of any other statements not reconciled. Mr. Booher questioned where he found

that information and that he never made that comment. He continued that it may have been in the Management's discussion in the front which, is not audited by his firm. His firm typically looks at the June statement and not any others unless the audit requires it. Councilman Gann is concerned that if the reconcilements hadn't been done in 24 months wouldn't have shown up somewhere and has a problem with the timeliness. Councilman Shattuck stated they were no findings in the 2008-2009 audit. Mr. Booher stated that as far as the actual reconciliation, no we weren't given a formal one, and based on the information provided to us we did have a reconciliation that was provided for the 2008-2009 Audit. He further explained that his firm follows the Generally Accepted Standards, Government Auditing Standards, as well as the OMB Auditing Standards and that an Audit isn't a guarantee that everything is covered. His firm, on a test basis, selects certain transactions to review and send for confirmation from outside parties. He continued to say that they review every bank account and even though in 2009 they didn't have a "formal" reconciliation, they did confirm the balance with the bank. After further discussion, Mr. Booher ended by saying that the purpose of an Audit is to assert that the Management's "balances" are correct and the numbers provided to City Council match up. Brown, Jake and McDaniel perform our procedures to give ourselves enough evidence that the numbers are accurate.

Mayor Burton commented on the length of time Brown, Jake and McDaniel had been our auditors and asked, given our situation, was there anything he would have changed about notifying the City Council in regards to findings. Mr. Booher responded that included in our audit report there are certain items that rise to a level of concern that should be presented to City Council, but not usually of this magnitude. These items are discussed with Management, which is typical procedure and are insignificant, but nothing significant enough to present to council. Aisin debt was questioned. Councilman Jerry Shattuck asked Mr. Booher when he saw that "debt to others" two years in a row, did it not raise a question and that would result in a finding? Mr. Booher responded with no but continued that he did ask the question and was told by management that it was used for cash flow. Also, that the debt occurred late in 2008 and when he saw it in 2009 was told again that it was used as cash flow. He felt since it was disclosed and reported, there was no wrong doing and his assumption was that the City Council was provided with a worksheet every month therefore they were informed of the situation. It was consensus of City Council that they were not informed. Councilman Jerry Shattuck asked the Council about the narrative that was written by City Staff on page 12, current financial conditions, criticism of Management, namely City Manager and Financial Director, specifically sales tax and property tax revenue was over estimated by Management which is a false statement and feels it more accurate to state the taxes were over estimated by City Council. Councilman Jerry Shattuck further stated that the taxes fell short and management recommended we pass a .23 property tax increase. Mayor Burton stated that the only issue he has with that is that council wasn't informed of the grand picture of our debt of 2.5 million. Councilman Jerry Shattuck re-iterated that he felt that the one statement needed to be stated more fairly, and made the motion, under budget revenues, specifically sales tax and property tax were over estimated by previous City Council. Motion was seconded by Councilman Larry Gann. Councilman Jim McBride asked what's the value of this change and Councilman Jerry Shattuck stated "being accurate and fair". Vote was made by roll call 3 "yes" and 3 "no" made by Councilmen Jim McBride, E.T. Stamey and Mayor Burton.

Councilman Jerry Shattuck also asked to change the statement on page 96, the finding in regards to the City's operating with a negative fund balance for the pass four years. Motion was made to change the statement to read, "we concur that previous City Management and City Council has operated in a fund deficit for the last four years". A second was made by Councilman Larry Gann. Councilman Jerry Shattuck stated that he felt City Council shares in that responsibility and should be included. Mayor Burton reiterated that the bottom line, he feels, is that the City Council has not been informed and pointed out that if Council knew of the "actual debt" those revenue numbers would not have been recommended. Discussion continued in length. Vote was made by roll call with 4 "no" and Councilmen Jerry Shattuck and Larry Gann voting yes. Motion failed.

Mayor Burton asked for any grievances. No comments.

MAYOR'S COMMUNICATION

Mayor Burton read a letter from Moody's regarding the Bond Rating. Moody's Investors Service has downgraded the City of Clinton's long-term rating to A3 from A2. He asked that the letter be posted on our website.

Councilman Jerry Shattuck commented that one of the pending questions in the rating is our interim City Manager's position and felt now would be a good time to remove that question. Mayor Burton said that Roger Houck is interested in the position and his main focused has been getting the refinancing complete. Councilman Jerry Shattuck made the motion to allow Mayor Burton to proceed with negotiations with Mr. Houck to complete a contract. Seconded by Councilman Jim McBride. Councilman Larry Gann stated he was not comfortable with the process and suggested that the Council look for others that may be interested, not to say that Mr. Houck isn't the best candidate, but to be open to other candidates. After more discussion, vote was made by roll call with 5 in favor and Councilman Larry Gann with a no vote.

Mayor Burton requests that for future Board appointments/recommendations persons interested should drop off their resume and state which board you are interested in to City Hall. He also asked that they been turned in a month prior to the end of the appointed term. Councilman Jerry Shattuck asked for a current copy of board members.

Committee Reports

School Board Report -

Dr. Vickie Violette reported the City Schools received a rebate from CUB for being energy efficient. Also presented the current roof estimate from Dixie Roofing for South Clinton School of \$154,560 which includes a 20 yr warranty. Roane County Alliance completed ranking of area school systems through TCAP scores and announced Clinton City Schools came in third place. First place was a tie between Oak Ridge and Maryville and second place to Alcoa Schools.

Dale Isabell presented the Schools Financial Report and request approval of City Council for

budget amendment #4. Motion was made by Councilman Jim McBride and second by Councilman E.T. Stamey. Motion carried.

Board of Zoning Appeals

Clinton Regional Planning Commission Report –

Councilman Larry Gann reported the Regional Planning Commission met on February 14, 2011. Applicant George McGrew request final plat approval located at Blockhouse Valley Road. Motion carried contingent on required signatures being submitted.

Applicant George McGrew request rezoning two lots from B-2 to R-2 for property located at Blockhouse Valley Road. Motion carried to send to City Council for approval.

Zoning Board approved Applicant Tim George requests for final plat approval located at Frank Price Blvd, zoned B-4.

Applicant Tim George request for rezoning from B-4 to R-3 located at Frank Price Blvd was approved to send to City Council for approval as well as applicant Kim Mowery's request for rezoning from R-2 to B-2 for property located on the front portion of 910 S Charles Seivers Blvd.

Applicant Sunridge Development request for rezoning from R-1 to R-3 located off Westbury Drive was combined with Sunridge Development's request to rezone from R-2 to R-3 located off W. Broad Street. Again the Board approved sending to City Council for approval.

Applicant Cathy Brown requests for review to reclassify Eagle Bend Road from the City of Clinton major road plan from local collector to major collector between Market Street and Nave Street. Motion carried to reclassify and send to City Council for approval.

Clinton Zoning Board reviewed Ordinance #578 with changes requested by City Council. The requested changes were approved but still without animation. There was a new ordinance discussed regarding traditional signs, special events and animation.

Clinton Utilities Board Report –

No report.

Other Board and Committee Reports –

CITY MANAGER'S REPORT

I. CURRENT PROJECTS & ACTIVITIES

Intersection & Traffic Signal Improvements – N. Charles G Seivers Blvd. at I-75 Interchange. The planned improvements to add a traffic signal and additional turn lane at the southbound I-75 exit ramp / N CGS Blvd intersection, and an additional left turn lane from eastbound N CGS Blvd. to northbound I-75 were scheduled for bid on February 11th. TDOT made some late revisions to the plans, which have now moved the scheduled bid letting to April 1st. If there are no additional issues, construction should take place during the summer.

II. DEPARTMENTAL ACTIVITIES

A. ADMINISTRATION

19584. Finance:

a. Current Finance Report – Finance Director James Cotton.

b. FY 2009 / 2010 Audit

The Audit Report for the Fiscal Year Ending June 30, 2010 has been completed.

B. CODES ENFORCEMENT

1. The Codes Enforcement Department's monthly activity summary for January 2011 is included in your council package for review.

C. FIRE DEPARTMENT

1. The Fire Department's monthly activity summary for January 2011 is included in your council package for review.

D. POLICE DEPARTMENT

1. The Police Department's monthly activity summary for January 2011 is included in your council package for review.

E. PUBLIC WORKS DEPARTMENT

1. The Annual Recycling Operations Report for Calendar Year 2010 is included in your council package for review. In addition to the materials collected at the Drop Off Recycle Center, a total of 670 loads of brush and 70 loads of leaves was collected and diverted from the sanitary landfill; and 1,444 gallons of used oil was collected to be used for heating at the Public Works Garage.

2. Public Works crews are busy performing maintenance to tractors, bush hogs, mowers, and trimmers, in preparation for the upcoming mowing season. Also, our city-wide litter collection campaign continues, as well as our annual drainage way clean-up project.
3. Residents are reminded that our annual Spring Clean-Up Day, held on the first Monday each April, will be held this year on Monday April 4th. Guidelines for having large bulky items, such as furniture and appliances, hauled to the landfill may be found on our website at www.clintontn.net or by calling the Public Works Department at 457-6495.

F. RECREATION DEPARTMENT

1. The Michigan State University – Women’s Rowing Team will be using the facilities at Lakefront Park for their annual Spring Training from March 4th – 11th.

CURRENT PROJECTS AND ACTIVITIES

Chief Rick Scarbrough presented an option in regards to seized vehicles auctions. He proposed the option of auctioning the vehicles online through GovDeals.com. Benefit to the City is that the vehicles would be surplus faster and other items the City needs to surplus. Also there is potential growth in revenue by going to a nationwide market. He requests that we join other municipalities participating in this program. Motion was made by Councilman Rob Herrell and second by Councilman Jim McBride. Motion carried.

Councilman E.T. Stamey asked about the City’s garage that was located at the Fairground and was the City looking to build a central garage in the future. City Manager Roger Houck explained that currently each department handles their own repairs either with an employee or outside mechanic but they were looking into having a central motor pool in the future.

Councilman Jim McBride questioned page 17 of the finance report in regards to Green McAdoo being a separate line item. Roger Houck explained that our current Finance Director felt it necessary to keep it separate so we could better track the expenditures and hopefully help to get funding in the future.

ORDINANCES AND RESOLUTIONS -

First reading of:

Ordinance # 579 – Amending the City of Clinton Zoning Map from B-4 (Interstate Business District) to R-3 (Multi-Family Planned Residential District) – Tax Map 043, Parcel 121.00, Lot 7 – off Frank Price Boulevard. Motion made by Councilman Jerry Shattuck and second by Councilman Larry Gann. Motion carried.

Ordinance # 580 – Amending the City of Clinton Zoning Map from R-1 (Low Density

Residential District) to R-3 (Multi-Family Planned Residential District) – Tax Map 074G, Group C, Parcel 14.00 – off Westbury Drive. Motion made by Councilman Jim McBride and second by E.T. Stamey. Motion carried.

Ordinance # 581 – Amending the City of Clinton Zoning Map from R-2 (Medium Density Residential District) to R-3 (Multi-Family Planned Residential District) – Tax Map 74H, Group C, Parcel 15.00 – off West Broad Street and Nancy Lane. Motion made by E.T. Stamey and second by Councilman Jim McBride. After brief discussion, motion passed with Councilman Jerry Shattuck voting no.

Ordinance # 582 – Amending the City of Clinton Zoning Map from R-2 (Medium Density Residential District) to B-2 (General Business District) – Tax Map 081, part of Parcel 95.00 – off South Charles G. Seivers Boulevard across from Holbrook Drive. Motion made by Councilman Jerry Shattuck and second by Councilman Larry Gann. Motion carried.

Ordinance # 583 – Amending the City of Clinton Zoning Map from B-2 (General Business District) to R-2 (Medium Density Residential District) – Tax Map 082O, Group F, Parcel 17.00 – Blockhouse Valley Road at Hiway Drive. Motion made by Councilman E.T. Stamey and second by Councilman Larry Gann. Motion carried.

Ordinance # 584 – Amending Title 14, Appendix B of the Clinton Municipal Code – to change the classification of “North Eagle Bend Road” from a Minor (Local) Collector to a Major Collector. Motion made by Councilman E.T. Stamey and second by Councilman Jerry Shattuck. Motion carried.

Ordinance # 585 – Amending Title 14, Section 14-309.3 of the Clinton Municipal Code – “Prohibited Signs”. Mayor Burton explained this is the ordinance that Council sent back to the Planning Commission with Council’s recommendations which they did approve. Motion made to pass this ordinance and sent back to Planning Commission with recommended amendments by Councilman Jerry Shattuck and second by Councilman Rob Herrell. Motion carried.

Second and final reading:

Ordinance # 576 – Amending Title 13, Section 13-104 of the Clinton Municipal Code – “Overgrown and Dirty Lots”. Motion made by Councilman Larry Gann and second by Councilman Jim McBride. Motion carried.

Ordinance # 577 – Amending Title 14, Section 14-309 of the Clinton Municipal Code – “Political Signs”. Motion made by Councilman Larry Gann and second by Councilman Rob Herrell. Motion carried.

Ordinance # 578 – Amending Title 14, Section 14-204.46 and Section 14-309 of the Clinton Municipal Code – “Dynamic Signs, Directory Signs, etc.”. After long discussion Councilman Jerry Shattuck states the ordinance still needs more definition and clarification. Mayor Burton recommended tabling this ordinance until Council sees consistency between ordinance #578 and ordinance #585. Motion made by Councilman Jim McBride and second by Councilman Larry

Gann. Motion carried.

RESOLUTIONS

Resolution # 681 – Initial Resolution authorizing the incurrence of indebtedness by the City of Clinton, Tennessee, of not to exceed \$8,900,00, by the execution with the public building authority of the City of Clarksville, Tennessee, of a loan agreement to provide funding to prepay certain outstanding indebtedness, to finance certain public works projects, and to fund the incidental and necessary expenses related thereto. Roger Houck explained that this is a resolution that starts the clock for the 20 day public notice which does not lock us into any type of agreement and Council must pass a second resolution for a loan agreement. After additional information is received we will hold a workshop. Motion made by Councilman E.T. Stamey and second by Jerry Shattuck. Motion carried.

OLD BUSINESS –

NEW BUSINESS –

Mayor Burton suggests recessing the meeting to March 10. Would like to tentatively plan a refinance workshop at 4:00pm and resume Council meeting at 5:30pm.

Councilman Shattuck commented on the article in regards to the City being one of the “Best small towns to live in and the City’s contribution to the billboards. He suggests possibly investing in more the billboards to continue to promote Market Street and the City. Mayor Burton asked Roger Houck to check with Lamar about possibilities.

Motion was made to recess until March 10, 2011 by E.T. Stamey and second by Councilman Larry Gann. Motion carried. Recessed at 7:45pm