

MINUTES OF MEETING, ATHENS CITY COUNCIL, JUNE 20, 2006
(RECESSED MEETING JUNE 29, 2006)

The Athens City Council met in regular session on Tuesday, June 20, 2006, at 6:00 P.M. with Vice Mayor Perkinson presiding. The invocation was given by Council Member Myers; and upon roll call, the following members were present:

Alvey, Myers, Perkinson

Mayor Proffitt and Council Member Pelley were out-of-town and did not attend the meeting.

The following decisions were made and ordered made a part of the records of the Athens City Council.

- 1 -

MINUTES

The Minutes of the regularly scheduled meeting held on May 16, 2006, were submitted. Upon motion by Council Member Alvey, seconded by Council Member Myers, said Minutes were unanimously approved by voice vote.

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COMMUNICATIONS FROM THE MAYOR

PRESENTATION OF VIVID AWARD

Council Member Alvey presented the *Very Important Volunteer Individual Award* for the month of June 2006 to John Michael Higdon, who recently completed the 9th Grade at the Athens Junior High. He was recognized for his assistance in repainting the paw prints leading to the Animal Shelter and for his assistance with other volunteer projects throughout the community.

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GEORGE PRICE MEMORIAL RESOLUTION

Council Member Myers read into the Minutes of the Athens City Council a proposed resolution commemorating the life and contributions of George R. Price. The resolution acknowledges the recent death of Mr. Price and recognizes his years of faithful service as a member of the Athens Regional Planning Commission since 1966. The following resolution was presented for consideration:

RESOLUTION NO. 2006-24

“A RESOLUTION COMMEMORATING THE LIFE AND CONTRIBUTIONS OF GEORGE R. PRICE.”

Upon the reading of the resolution, motion was made by Council Member Myers, seconded by Council Member Alvey, to approve Resolution No. 2006-24; and upon voice vote, the Resolution was unanimously approved.

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PROCLAMATION – AMATEUR RADIO WEEK

Vice Mayor Perkinson read a proclamation declaring the week of June 18, 2006, as Amateur Radio Week and made a special presentation to Club Secretary Evan Ray. Mr. Ray expressed appreciation on behalf of the club and invited the Council and members of the audience to participate in the annual field day exercise on June 24-25 at the Knox Park pavilion. Acknowledging the recent passing of David Fridley, a moment of silence was observed in remembrance of his outstanding contributions to the success of the Amateur Radio Club.

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PROCLAMATION - BEN WILSON DAY

Vice Mayor Perkinson presented a proclamation declaring Friday, June 23, as "Ben Wilson Day" in recognition of his dedication, his loyalty, and his longevity to the Learn To Swim Program. Teaching in each program since its inception in 1959, Mr. Wilson has instructed over 3,000 beginning swimmers, has helped improve the swimming skills of over 3,500 boys and girls, and has recruited over 1,000 youth volunteers to work in the program. The last day of this year's Learn To Swim activities will celebrate Mr. Wilson's 47 years of attendance and participation in the local program.

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MISCELLANEOUS CORRESPONDENCE

Vice Mayor Perkinson acknowledged receipt of numerous letters and notes of appreciation for services performed by city staff members.

- 7 -

PETITIONS AND REQUESTS

AUDIENCE

Vice Mayor Perkinson opened the meeting for petitions and requests from the audience. There were none presented at this time.

- 8 -

REPORTS

FINANCE DEPARTMENT REPORT

Mr. Mike Keith presented the Finance Department Report for the month of May 2006. After brief discussion and comments, the report was accepted as presented.

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POLICE DEPARTMENT REPORT

Chief Chuck Ziegler presented the Police Department Report for the month of May 2006. After brief discussion and comments, the report was accepted as presented.

- 10 -

FIRE DEPARTMENT REPORT

Chief Bob Miller presented the Fire Department Report for the month of May 2006. After brief discussion and comments, the report was accepted as presented.

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CONSENT AGENDA

Vice Mayor Perkinson advised the following items were discussed during the recent work session and are presented as a part of the Consent Agenda:

- 1.) Approve *Athens City Schools Budget Amendment No. 2 for 2005/06* as submitted/approved by the Board of Education during its regular meeting on June 12, 2006;
- 2.) Approve *Budget Amendment No. 2* to adjust revenues and expenditures in City of Athens budget for fiscal year 2005/06;

- 3.) Approve **Resolution No. 2006-25** to enter into a proposed settlement agreement as approved through the Bankruptcy Court for delinquent property taxes owed to the City of Athens by K-Mart;
- 4.) Approve **Resolution No. 2006-26** authorizing the extension of a contractual agreement between the City of Athens and the Chilhowee Greenhouse for cemetery maintenance through July 31, 2007;
- 5.) Approve **Resolution No. 2006-27** authorizing the extension of a contract between the City of Athens and the Tennessee Department of Transportation for maintenance of state rights-of-way;
- 6.) Accept low bid (No. 1422) meeting all bid tabulation criteria as submitted by Renfro Construction Co., Inc. of Knoxville for asphalt paving and materials;
- 7.) Reappoint **Linda Morrow** to **Athens Utilities Board** for term expiring June 30, 2010;
- 8.) Reappoint **David Hutson** to **Recreation Advisory Board** for term expiring June 30, 2010;
- 9.) Appoint **Tom Hamilton** to **Board of Zoning Appeals** as representative of the Planning Commission for term expiring June 30, 2011.

On motion by Council Member Myers, seconded by Council Member Alvey, the Consent Agenda as stated above was approved by the following roll call vote:

AYES: Alvey, Myers, Perkinson
 NAYS: None
 ABSENT: Pelley, Proffitt

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ORDINANCES

ORDINANCE NO. 941 – SECOND READING – PUBLIC HEARING

“AN ORDINANCE TO AMEND ORDINANCE NO. 914 ENTITLED ‘THE ZONING ORDINANCE OF THE CITY OF ATHENS, TENNESSEE,’ SO AS TO AMEND THE OFFICIAL ZONING MAP TO REZONE PROPERTY ALONG THE NORTHWEST SIDE OF INGLESIDE AVENUE FROM R-2 (MEDIUM DENSITY RESIDENTIAL DISTRICT) TO P-1 (PROFESSIONAL DISTRICT), SAID AREA BEING LOCATED WITHIN THE CORPORATE LIMITS OF ATHENS, TENNESSEE.”

Upon the reading of the caption by the recording clerk, Vice Mayor Perkinson opened the Public Hearing on Ordinance No. 941. There being no one present wishing to discuss the Ordinance, Public Hearing was closed. Motion was made by Council Member Alvey, seconded by Council Member Myers, to approve Ordinance No. 941 on Second and Final Reading, and upon roll call, Ordinance No. 941 was approved by the following vote:

AYES: Alvey, Myers, Perkinson
 NAYS: None
 ABSENT: Pelley, Proffitt

ORDINANCE NO. 942 – SECOND READING - PUBLIC HEARING

“AN ORDINANCE TO ADOPT A BUDGET AND SET THE TAX RATE IN THE AMOUNT OF \$1.29 ON EACH ONE HUNDRED DOLLARS ASSESSED VALUE OF TAXABLE PROPERTY LOCATED WITHIN THE CORPORATE LIMITS OF THE CITY OF ATHENS, TENNESSEE, FOR THE FISCAL YEAR JULY 1, 2006, THROUGH JUNE 30, 2007.”

Upon the reading of the caption by the recording clerk, Vice Mayor Perkinson opened the Public Hearing. There being no one present wishing to discuss the Ordinance, Public Hearing

was closed. Upon consideration of the budget ordinance, it was the consensus of the council members present to postpone the Second Reading until such time all members are anticipated to be present for the final vote. As discussed during recent work session, the final passage of Budget Ordinance No. 942 will be considered during an adjourned meeting on Thursday, June 29, at 5:30 p.m. in the Burkett Witt Council Chambers at City Hall.

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NEW BUSINESS

COMMITTEE APPOINTMENT – FILL UNEXPIRED TERM ON ARPC

As discussed during recent work session, Vice Mayor Perkinson presented several committee applications for the purpose of filling the unexpired term of the late George Price on the Athens Regional Planning Commission. This term will expire on August 18, 2007. Upon consideration, motion was made by Council Member Myers, seconded by Council Member Alvey, to appoint John Ray McKeehan to fill the vacancy on the Planning Commission. Council Member Myers expressed his support for Mr. McKeehan, acknowledging specifically his residency on County Road 554 being located in the Planning Region (as was Mr. Price's) as well as his many years of experience as a member of this board. Upon roll call, the appointment was approved by the following vote:

AYES: Alvey, Myers, Perkinson
NAYS: None
ABSENT: Pelley, Proffitt

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MANAGER'S REPORT

City Manager Moore presented the Manager's Report. He reviewed progress of current city projects/meetings scheduled during the months of June and July. After additional discussion, the report was accepted as presented.

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ADJOURNMENT

There being no further business to come before the Council at 6:48 p.m., and upon motion by Council Member Alvey, seconded by Council Member Myers, the meeting was recessed until Thursday, June 29, 2006 at 5:30 p.m. City Council will reconvene on this date to consider the Budget Ordinance No. 942 on Second/Final Reading and a proposed ordinance to create a Historic Preservation Commission as well as any other business that might legally come before the City Council.

MINUTES OF RECESSED MEETING, ATHENS CITY COUNCIL, JUNE 29, 2006

The Athens City Council met in reconvened session on Thursday, June 29, 2006, at 5:30 p.m., with Mayor John Proffitt presiding. The invocation was given by Vice Mayor Perkinson. Upon roll call, the following members were present:

Alvey, Myers, Pelley, Perkinson, Proffitt

The following decisions were made and ordered made a part of the records of the Athens City Council:

- 1 -

PROPOSED BUDGET – ATHENS CITY SCHOOLS

As discussed during recent work session, Mayor Proffitt presented the 2006/07 budget as approved by the Athens City Board of Education on June 12, 2006. A summary of budget

revenues and expenditures are included as a part of the City of Athens Budget Ordinance No. 942. After brief comments, motion was made by Council Member Myers, seconded by Vice Mayor Perkinson, to adopt the Athens City Schools' Budget as presented. Upon roll call, the motion was approved by the following vote:

AYES: Alvey, Myers, Pelley, Perkinson, Proffitt
NAYS: None

- 2 -

ORDINANCE NO. 942 – SECOND READING

“AN ORDINANCE TO ADOPT A BUDGET AND SET THE TAX RATE IN THE AMOUNT OF \$1.29 ON EACH ONE HUNDRED DOLLARS ASSESSED VALUE OF TAXABLE PROPERTY LOCATED WITHIN THE CORPORATE LIMITS OF THE CITY OF ATHENS, TENNESSEE, FOR THE FISCAL YEAR JULY 1, 2006, THROUGH JUNE 30, 2007.”

The caption of the above-described Ordinance was read by the recording clerk. It was noted that the Public Hearing on the Budget Ordinance was held during the regular meeting on Tuesday, June 20, 2006. Motion was made by Council Member Myers, seconded by Vice Mayor Perkinson, to approve Ordinance No. 942 on Second Reading. Upon discussion, motion was made by Vice Mayor Perkinson, seconded by Council Member Pelley, to amend the budget by increasing the possible merit percentage (currently at two percent) to three percent. It was noted this amendment will not increase the budgeted line items for salaries, as adequate funds have been incorporated to fund this increase. After other comments, the amendment was unanimously approved by the following roll call vote:

AYES: Alvey, Myers, Pelley, Perkinson, Proffitt
NAYS: None

In discussion of the Main Motion, council members Myers, Perkinson, and Proffitt expressed support for this budget acknowledging the opportunity to fund capital projects which have been delayed in previous years due to limited availability of funds. In opposition to the budget ordinance, Council Member Pelley described the 2006/07 budget as being inflated for the third consecutive year. After additional comments, Budget Ordinance No. 942, as amended previously, was approved on Second Reading by the following roll call vote:

AYES: Myers, Perkinson, Proffitt
NAYS: Alvey, Pelley
ABSENT: None

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HISTORIC PRESERVATION

Mayor Proffitt presented Ordinance No. 932 which was passed on First Reading on November 15, 2005 and tabled after Public Hearing on December 20, 2005, prior to approval on Second Reading. Due to concerns expressed by the City Attorney regarding the legality of Ordinance No. 932, as amended on First Reading, Mayor Proffitt noted the Council might want to defeat this ordinance and consider passage of a new historic preservation ordinance to be presented later in the meeting.

ORDINANCE NO. 932 – SECOND READING

“AN ORDINANCE TO AMEND ORDINANCE NO. 914 ENTITLED ‘THE ZONING ORDINANCE OF THE CITY OF ATHENS, TENNESSEE,’ SO AS TO AMEND CHAPTER 3, ZONING DISTRICTS, MORE SPECIFICALLY THE ADDITION OF SECTION 3.04.16 HISTORIC PRESERVATION COMMISSION AND HISTORIC OVERLAY DISTRICT.”

The caption of the above-described Ordinance was read by the recording clerk. Motion was made by Council Member Myers, seconded by Council Member Pelley, to reconsider

Ordinance No. 932 on Second Reading. Upon roll call, Ordinance No. 932 was defeated by the following vote:

AYES: Myers, Pelley
NAYS: Alvey, Perkinson, Proffitt
ABSENT: None

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As reviewed during recent work session, Mayor Proffitt presented for Council's consideration a proposed ordinance to amend the City of Athens zoning districts to include the creation of a Historic Preservation Commission to oversee and advise Council relative to Local Historic Overlay Districts, Local Conservation Overlay Districts and Local Landmarks. The following ordinance was presented for consideration on First Reading:

ORDINANCE NO. 943 – FIRST READING

“AN ORDINANCE TO AMEND ORDINANCE NO. 914 ENTITLED ‘THE ZONING ORDINANCE OF THE CITY OF ATHENS, TENNESSEE,’ SO AS TO AMEND CHAPTER 3, ZONING DISTRICTS, MORE SPECIFICALLY THE ADDITION OF SECTION 3.04.16 HISTORIC PRESERVATION COMMISSION AND HISTORIC OVERLAY DISTRICT AND CONSERVATION OVERLAY DISTRICT.”

The caption of the above-described Ordinance was read by the recording clerk. Motion was made by Council Member Pelley, seconded by Council Member Myers, to approve Ordinance No. 943 on First Reading. Upon discussion, Vice Mayor Perkinson discussed significant changes from the previous ordinance (Ordinance No. 932) in that the application fee for the Certificate of Appropriateness has been removed and the percentage of affected property owners required for submission of a petition has been increased to 70%. It was noted that this ordinance creates a Historic Preservation Commission for the purpose of developing the City's historic resources as set forth in this ordinance. Council Member Myers emphasized that this ordinance is enabling legislation, giving property owners the ability to set up guidelines for historic preservation within their community. In expressing opposition to the ordinance, Council Member Alvey stated she was not against historic preservation, but she was against *coerced* historic preservation. Alluding to a recent newspaper editorial, she suggested some type of inducement or tax break for those residents interested in historic preservation. After other comments and upon roll call, Ordinance No. 943 was approved by the following vote:

AYES: Myers, Pelley, Perkinson, Proffitt
NAYS: Alvey
ABSENT: None

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PROPOSED PURCHASE - ATHENS SUPPLY PROPERTY

Mayor Proffitt acknowledged passage of Resolution No. 2003-54 authorizing the submission of an application for up to \$705,000 in FEMA funds to acquire the Athens Supply property located at 106 Bank Street. Pursuant to correspondence dated November 25, 2003, from Mr. James H. Bassham of the Tennessee Emergency Management Agency, the grant, which is being provided through the Hazard Mitigation Grant Program, has been approved for a total net eligible project cost of \$940,000 of which 75% will be federal funds (\$705,000). Previously, the project was delayed at the request of the property owner (Athens Supply) as negotiations were pending with other commercial developers. In a letter dated June 16, 2006, Ms. Susan Frame, President of Athens Supply Company, Inc., requested that the City continue to support the acquisition of their property through the FEMA grant. In recent work session, a representative of the Southeast Tennessee Development District reviewed the project and advised prompt action is necessitated due to a grant deadline in November 2006. Expressing his desire for a thorough report from city staff during the July work session, motion was made by Vice Mayor Perkinson, seconded by Council Member Myers, to place this item on the July 10th work session agenda for further consideration. After brief comments and upon roll call, the motion was approved by the following vote:

AYES: Alvey, Myers, Pelley, Perkinson, Proffitt
NAYS: None

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OTHER COMMENTS BY MAYOR PROFFITT

Mayor Proffitt informed the Council of his attendance at a Highway 30 Corridor Meeting this morning and advised that a complete report will be presented during the July work session. Also, he regretfully acknowledged receipt of written confirmation from Council Member Myers of his decision to not seek re-election to the Athens City Council in November. Mayor Proffitt expressed appreciation for Council Member Myer's service on City Council and wished him well in future endeavors.

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ADJOURNMENT

There being no further business to come before the meeting and upon motion duly made and seconded, the meeting adjourned at 6:03 p.m.

JOHN M. PROFFITT, Mayor

MITCHELL B. MOORE, City Manager