

City of Crossville

392 N. Main
Crossville, TN 38555



Minutes

Thursday, June 18, 2020

3:00 PM

Conference Room 424

Call for Special Meeting

Call to Order

The City Council for the City of Crossville met in special session on Thursday, June 18 at 3:00 p.m. at Crossville City Hall. Mayor James Mayberry was present and presiding. He called the meeting to order at 3:01 p.m.

Roll Call

Present 4 - Council Member J. H. Graham, Council Member Rob Harrison, Council Member Scot Shanks, and Mayor James Mayberry

Absent 1 - Mayor Pro-tem Art Gernt

Others present were City Manager Greg Wood, City Attorney Will Ridley, City Clerk Valerie Hale, Fred Houston, Tim Begley, Larry Kidwell, Jessie Brooks, Ben Regen, Cheryl Duncan, and Scott Humphrey.

Consent Agenda

Ordinances on Second Reading

a. Ordinance amending FY19-20 End of Year Budget Adjustments

The budget must be equal to or be greater than the actual expenditures at the end of the year. These amendments are to bring the budget up to the actual expenditures in these departments.

A motion was made by Council Member Scot Shanks, seconded by Council Member Rob Harrison, to approve second reading of the year end budget amendments. The motion carried by the following vote:

Aye: 4 - Council Member J. H. Graham, Council Member Rob Harrison, Council Member Scot Shanks and Mayor James Mayberry

Absent: 1 - Mayor Pro-tem Art Gernt

Other Business

a. Approval to purchase 2021 Ford F-750 and ordinance amending FY19-20 budget

The Utility Maintenance Department Manager obtained a quote from Ford of Murfreesboro for a new 2021 Ford F-750 regular cab dump with a 12' bed. This truck would be replacing the one damaged in the March 29, 2020 storm, which has been reimbursed by the insurance provider. Ford of Murfreesboro has a contract with the State of Tennessee, Central Procurement Office for vehicles. Total cost for this vehicle is \$84,595.00 and will require a budget amendment.

A motion was made by Council Member Rob Harrison, seconded by Mayor James Mayberry to approve the purchase of the truck & first reading of budget amendment. The motion carried by the following vote:

Aye: 4 - Council Member J. H. Graham, Council Member Rob Harrison, Council Member Scot Shanks and Mayor James Mayberry

Absent: 1 - Mayor Pro-tem Art Gernt

b. Discussion and action regarding Brookhaven and Highland Lane Water Line Replacement Project

Currently all unit price items have been completed on this project. The Contractor is working on final cleanup. The total of all the unit price items including changes is estimated to be \$83,384 less than our full contract price. The Contractor has asked if the City would like to replace additional lines so that he can get the full contract value. The smallest line replacement segment the Engineering Department could find in the project area is a 1260 feet segment along Glenwood Circle in Highland East Subdivision. Utilizing the unit price values for the contract for this addition the total estimated cost is \$129,225.00. If the City bores the road for services and supplies the Contractor with meter yokes, corporation stops and saddles, the estimated cost is \$113,625.00. In an effort to help the City with our line replacement program, the contractor has offered to cut his profit margin and perform this work for the remaining monies in the contract which is estimated to be \$83,384. He also has requested a 45 day extension with this change. The Director of Engineer requests that the City Council approve the 1260-foot line replacement on Glenwood Circle as a change order for the lump sum price of the remaining funds in the contract and approve the 45 day contract extension.

A formal closeout change order will be on the July Council Meeting agenda to document this contract change and zero out the unit price items.

A motion was made by Council Member Rob Harrison, seconded by Mayor James Mayberry, to approve the requested change to the contract. The motion carried by the following vote:

Aye: 4 - Council Member J. H. Graham, Council Member Rob Harrison, Council Member Scot Shanks and Mayor James Mayberry

Absent: 1 - Mayor Pro-tem Art Gernt

Council member Graham suggested that the meeting be recessed rather than adjourned due to the upcoming presentation by Financial Advisor Larry Kidwell and possibly needing to vote on Mr. Kidwell's recommendation (s). He also stated that the rules would need to be suspended since the item is not on the agenda.

A motion was made by Council Member J. H. Graham, seconded by Council Member Rob Harrison, to recess the meeting and suspend the meeting rules. The motion carried by the following vote:

Aye: 4 - Council Member J. H. Graham, Council Member Rob Harrison, Council Member Scot Shanks and Mayor James Mayberry

Absent: 1 - Mayor Pro-tem Art Gernt

Larry Kidwell spoke to the Council and discussed several options for refinancing the City's debt. He recommended refinancing all of the debt (approximately \$35,000,000).

The Council discussed his recommendation as well as the option of not including the outstanding SRF loans.

A motion was made by Mayor James Mayberry, seconded by Council Member Scot Shanks to reconvene the meeting. The motion carried by the following vote:

Aye: 4 - Council Member J. H. Graham, Council Member Rob Harrison, Council Member Scot Shanks and Mayor James Mayberry

Absent: 1 - Mayor Pro-tem Art Gernt

A motion was made by Council Member J. H. Graham, seconded by Council Member Rob Harrison subject to any local, state, or federal rules, regulations, and policies that the City of Crossville enters into a 30-year fixed rate program where bonds are issued and sold to do the following:

Refinance \$15,258,000 water/sewer debt

Refinance \$6,000,000 general fund debt

\$7,000,000 additional funds for capital projects

\$1,000,000 in additional money for general fund.

The motion failed by the following vote:

Aye: 2 - Council Member J. H. Graham and Mayor James Mayberry

Nay: 2 - Council Member Rob Harrison and Council Member Scot Shanks

Absent: 1 - Mayor Pro-tem Art Gernt

A motion was made by Council Member Scot Shanks, seconded by Council Member Rob Harrison to accept Mr. Kidwell's recommendation and refinance all of the City's debt including SRF loans to simplify the process, including an additional \$7,000,000 for water and sewer capital improvement projects and an additional \$1,000,000 for general fund projects with the bonds being assumable and callable in five years. The motion carried by the following vote:

Aye: 4 - Council Member J. H. Graham, Council Member Rob Harrison, Council Member Scot Shanks and Mayor James Mayberry

Absent: 1 - Mayor Pro-tem Art Gernt

Adjournment

With no further business to discuss, the meeting adjourned at 4:37 p.m.