

REGULAR MEETING: FEBRUARY 9, 2010**ITEM #5 – MATTERS RELATIVE TO DOWNTOWN DEVELOPMENT PROJECT**

John Grossman, President of E.G.&G presented Amendment No. 1 to the agreement between E.G.&G. and the City on the downtown development project. This amendment provides professional services relative to final design/engineering documents, including revisions and bidding services. This amendment does not provide construction administration and field representation services, which would be provided under a separate amendment. The total cost for the services is \$765,063. This work is estimated to take one year. In order to keep the project on schedule and be in a position to begin bidding and construction once funding becomes available, this work needs to start. A timeline for the project was also presented.

He reviewed the steps that have been taken so far on the project and pointed out that the water system, non-existent stormwater system, street pavement, traffic signalization, street lighting, and sidewalks are all in dire need of replacement. Of the projected costs, 85% are infrastructure improvements. The economic development market potential to retirees and tourists was also researched and how those needs can be met through this project. Commitments have been received from property owners for five downtown property developments and total \$17,500,000 with an anticipated 256 new jobs that are contingent on the infrastructure improvements. It was pointed out that the community hosts approximately 500,000 rounds of golf and 170,000 yearly visitors to the Cumberland County Playhouse, in addition to the visitors at the recreational facilities and other attractions.

The grant applications were reviewed. All granting agencies will judge the project more favorably if engineering is underway, on a fast-track, and that the local government has provided local funding and investments in the project. They also have two sources of funds—their regular funds and recovery act funds. The recovery act funds will go to projects that can be started quickly. Announcements on the grant applications are all expected in Fall 2010. Frances Carson, representing DCI, stated that they are committed to raising \$500,000 through a memorial campaign. They are also working with local financial institutions to assist the property owners in finding financing for their development projects.

Councilmen Duer, Kerley, and Wyatt all expressed concern over spending the money at this time without knowing that funding will be approved. It was emphasized that the granting authorities are setting their priorities on projects that are "shovel-ready", which will require the engineering plans being underway.

A motion was made by Mayor Graham, seconded by Councilman Dean, that Amendment No. 1 to the contract with E.G.&G. to provide professional engineering services for the downtown development project in the amount of \$765,053 be approved and that a budget amendment be passed on first reading. **Vote:** Motion failed (**summary:** Yes = 2, No = 3, Abstain = 0). **Yes:** Mayor J. H. Graham, III, Mayor Pro-Tem Earl Dean. **No:** Councilman Boyd Wyatt, Sr., Councilman Carl Duer, Councilman Jesse Kerley.

ITEM #6 – MATTERS RELATIVE TO BRIDGE HEALTH INSURANCE

The City Manager presented his study of the future costs for continuing to provide no-cost insurance to qualified retired employees until they are eligible for Medicare. With the 161 current active employees, the financial obligation potential is \$2,800,000. This amount would substantially increase with growth in the number of city employees and the cost of health insurance. He recommended that the program be discontinued in five years.

Councilman Duer agreed with the recommendation of five years based on his knowledge of the health industry and the benefits offered by most private companies. Councilmen Wyatt and Kerley expressed concern about changing the benefit package or changing the parameters for current employees.

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City Attorney Chadwell stated that he did not see that the City had any legal liability by ending it with new employees or changing parameters. He did recommend obtaining an opinion from MTAS or the TML Risk Management Pool. The matter was deferred.

ITEM # 7 – CITY ATTORNEY'S REPORT

City Attorney Kenneth Chadwell reported that there were no new lawsuits filed in the past month.

ITEM #8 – CITY MANAGER'S REPORT

City Manager Ted Meadows provided the monthly revenue charts on local option sales tax, wholesale beer, and retail liquor inspection fees. He also presented the updated reports on building permits, grants, and capital projects.

In personnel matters, he requested approval for the retirement incentive and vacation buy outs for the following employees:

- a) Billy J. Garrison will retire from the City on March 1, 2010 with 24 ½ years service. His retirement incentive will be \$3,000, vacation balance buy out of \$2,838.46 for 204.50 hours, and gift from the City of \$1.00 for every month worked of \$294.00 for a total of \$6,132.46, if no vacation time is taken.
- b) Bill Hunnicutt will retire on March 10, 2010 with 23 years 5 months service. His retirement incentive will be \$3,000, vacation balance buy out of \$1,519.75 for 74.60 hours, and a gift from the City of \$1.00 for each month worked of \$281.00, for a total of \$4,800.75, if no vacation time is taken.
- c) Eva J. Redwine will retire on March 15, 2010 with 20 years and 5 months service. Her retirement incentive will be \$3,000, vacation balance buy out will be \$2,463.77 for 181.16 hours, and a gift from the City of \$1.00 for each month worked will be \$245.00, for a total of \$5,708.77, if no vacation time is taken.

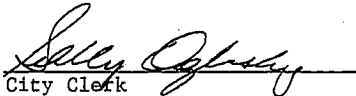
A motion was made by Councilman Duer, seconded by Councilman Kerley, that the retirement payments for Billy J. Garrison, Bill Hunnicutt, and Eva Redwine be approved. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Boyd Wyatt, Sr., Councilman Carl Duer, Councilman Jesse Kerley, Mayor J. H. Graham, III, Mayor Pro-Tem Earl Dean.

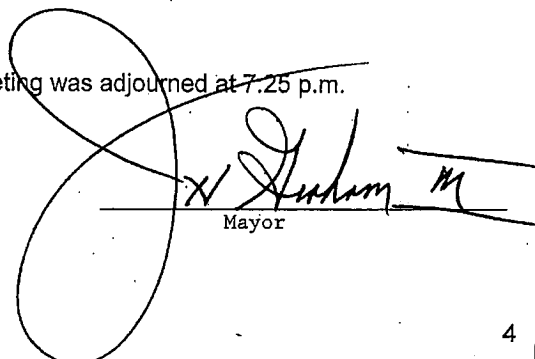
Mr. Meadows announced his plans to retire on or around April 1, depending on the needs of the Council. Council expressed their thanks and appreciation for his service. Councilman Duer suggested that Mr. Meadows assist in the selection process of his successor, and even stay an extra month to assist the next City Manager.

A motion was made by Councilman Wyatt, seconded by Mayor Graham, that even though Mr. Meadows will be leaving April 2, that his pay continue until May 1, 2010 for his expertise and the job he has done for the city. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Boyd Wyatt, Sr., Councilman Carl Duer, Councilman Jesse Kerley, Mayor J. H. Graham, III, Mayor Pro-Tem Earl Dean.

With no further business, the meeting was adjourned at 7:25 p.m.

ATTEST:


City Clerk


Mayor