

City of Crossville

392 N. Main
Crossville, TN 38555



Minutes

Friday, July 24, 2020

12:00 PM

Conference Room 424

Call for Special Meeting

Call to Order

The City Council for the City of Crossville met in special session on Friday, July 24, 2020 at Crossville City Hall. Mayor James Mayberry was present and presiding. He called the meeting to order at 12:00 p.m.

Rollcall

Present 5 - Council Member J. H. Graham, Council Member Rob Harrison, Mayor Pro-tem Art Gernt, Council Member Scot Shanks, and Mayor James Mayberry

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

Other Business

1. Discussion and action on sale of Interchange Drive Property

The City has been contacted by Butch Smith who is representing Swayze Properties to sell 7.6 acres as shown on the map presented (a portion of Tax Map 73, Parcel 30.04). Swayze Properties owns the adjacent property and currently leases the property to CoLinx. The property is needed for a 50,000 square foot building expansion project. It is unknown at this time if new jobs will be created with this expansion.

The property has 3 steep acres to the west which would be considered unusable for development. It could be debated if all of the remaining 4.6 acres is developable, but it isn't as steep as the west end of the property.

The City Council has priced Interchange Property for \$25,000 per acre and offered a job credit of \$5,000.

The property must be advertised 30 days prior to the sale of the property.

A motion was made by Mayor James Mayberry, seconded by Council Member Rob Harrison, to approve the sale of 7.6 acres on Interchange Drive for \$100,000 and start the 30 day advertisement period. The motion carried by the following vote:

Aye: 5 - Council Member J. H. Graham, Council Member Rob Harrison, Mayor Pro-tem Art Gernt, Council Member Scot Shanks and Mayor James Mayberry

2. Discussion and action regarding Hwy 127 N easement acquisition

City Attorney Will Ridley requested approval for expenditures related to Hwy 127N easement acquisitions. The property owners did not accept the original offers, which were based upon an outdated property valuation. Mr. Ridley recommended the Council approve the amounts based upon updated property values and the potential legal fees that would be equal to or exceed the offers.

A motion was made by Council Member J. H. Graham, seconded by Mayor Pro-tem Art Gernt, to approve the amounts as suggested by the City Attorney.

The motion carried by the following vote:

Aye: 5 - Council Member J. H. Graham, Council Member Rob Harrison, Mayor Pro-tem Art Gernt, Council Member Scot Shanks and Mayor James Mayberry

3. Approval of Debt Policy

The City Debt Policy needs to be reviewed and accepted each year.

A motion was made by Council Member J. H. Graham, seconded by Mayor James Mayberry, to approve the debt policy as presented. The motion carried by the following vote:

Aye: 5 - Council Member J. H. Graham, Council Member Rob Harrison, Mayor Pro-tem Art Gernt, Council Member Scot Shanks and Mayor James Mayberry

4. Resolution approving an application to Rural Development in the amount of \$419,500 for the Catoosa water storage facility

Approval is requested for the Mayor to sign all documents required to submit and execute an application in the amount of \$419,500 to Rural Development for funding of the proposed 500,000 gallon water storage facility on Hwy. 127N. This application is being made due to the bid, which was approved June 9, being over the original loan amount.

Application was previously approved; however, the City Clerk is asking for approval of document RUS Bulletin 1780-27, which authorizes the indebtedness.

Council member Harrison related his concern about some of the language in the loan resolution. He had spoken with Larry Kidwell, the City's Financial Advisor, and Mr. Kidwell wanted to review the document prior to the Council voting on the resolution. He also stated that Mr. Kidwell's contract states he should review all financial documents and is entitled to a 1% fee of all loans the City obligates itself to.

Council member Graham pointed out there is not a prepayment penalty with a loan from Rural Development and that Rural Development provided a 25% grant for the project.

A motion was made by Council Member J. H. Graham, seconded by Council Member Scot Shanks, to approve the loan resolution. The motion carried by the following vote:

Aye: 3 - Council Member J. H. Graham, Mayor Pro-tem Art Gernt and Mayor James Mayberry

Nay: 1 - Council Member Rob Harrison

Abstain: 1 - Council Member Scot Shanks

Adjournment

With no further business to discuss, the meeting adjourned at 12:14 p.m.