

**Town of Pegram Board of Mayor and Aldermen
Order of Business/June 26, 2014
Minutes**

ORDER OF BUSINESS

- 1) **Call to Order** by Vice Mayor Herbert at 7:10 PM.
- 2) **Roll Call:** Present: Eugene Evans, Bob Sanders, Warren Miller and Bill Herbert. Charles Morehead was absent due to family emergency. Also present were Recorder Jamie Mrzena, Engineer Brad Bivens and Engineer John Gahring.
- 3) **Minutes of the Previous Meetings Approval &/or Correction:** Town Meeting: 5/29/14
Alderman Evans moved to approve and waive the reading; seconded by Alderman Sanders. No discussion. **Vote:** All approved; motion carried.
- 4) **Announcements and Communication from the Mayor:**
 - 4.1 Herbert stated that all revenue budgets will be met for year end with exception of sewer.
- 5) **Concerns and Comments from the Audience:** None
- 6) **Reports from Committees, Board and other Town Officers/Department Heads**
 - 6.1 Verbal Reports: Fire Chief Stuart stated that the property for Station 2 closed last Tuesday.
 - 6.2 Written Reports: on file at Town Hall.
- 7) **Old Business**
 - 7.1 Bids for drainage repair at Brakeman Ct and Station Dr
Alderman Evans moved to discuss; seconded by Sanders. Discussion: Evans expressed concern that these bids are for a third of the work and double the price of the initial bids. He stated that he is against spending Town money on private property when streets need to be repaired. Sanders concurred with Evans. Herbert stated that another issue is the initial bids were under \$4,000 and therefore phone bids were permitted. The current bids are over \$4,000 and will have to be advertised. Herbert declared the bids void and will have to be bid out. Evans suggested that bids be advertised in Ashland City Times as well as Advocate to possibly attract more contractors.
- 8) **New Business**
 - 8.1 Resolution 2014-132: A Resolution of the Town of Pegram, Tennessee Adjusting the POTW User Rates
Alderman Evans moved to approve; seconded by Alderman Miller. Discussion: Purpose of resolution is for state required annual increase in residential and commercial user rates.
Vote: Evans-yes; Sanders-yes; Miller-yes; Herbert-yes. All favored; motion carried.
 - 8.2 Fire Department Applicant: Matthew Williams
Alderman Evans moved to approve; seconded by Alderman Sanders. No discussion.
Vote: All favored; motion carried.
 - 8.3 Concession Stand ice maker
 - a) *Alderman Evans moved to discuss; seconded by Alderman Sanders.* Discussion: Recorder Mrzena explained that the ice maker cuber is broken and parts are no longer made for it. She read phone quotes and BP Ice Machines was lowest bid in amount of \$2970.20, which includes \$200.00 for installation. They are a local company and will do the installation.

Town Meetings: Last Thursday of each month, 7:00 PM, Town Hall

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b) *Alderman Evans moved to accept quote from BP Ice Machines; seconded by Alderman Sanders. No further discussion. **Vote:** Evans-yes; Sanders-yes; Miller-yes; Herbert-yes. All favored; motion carried.*

8.4 Release Property Taxes to Kathy Shields (Pegram portion \$15.23; \$2100.00 was withheld)

a) *Alderman Evans moved to discuss; seconded by Alderman Sanders. Discussion: Herbert explained that the closing on the property for Pegram Fire Station #2 was last Tuesday and according to state law the amount of the next 12 months annual taxes on the total property must be withheld. \$2100 had to be withheld from Ms. Shields settlement check; if she were to default Pegram would only be responsible for \$15.23.*

b) *Evans moved to authorize the Law Offices of Balthrop, Perry, Noe, Newcomb & Morgan to release the withheld property taxes of \$2100 to Kathy Shields; seconded by Alderman Sanders. **Vote:** Evans-yes; Sanders-yes; Miller-yes; Herbert-yes. All favored; motion carried.*

8.5 Contract with Tennessee Utility Assistance

a) *Alderman Evans moved to discuss; seconded by Alderman Sanders. (Discussion taken from earlier sewer meeting: Herbert explained that TUA is proposing to refinance Pegram's outstanding bond with a bank loan with a much lower rate of interest with a savings of approximately \$80 to 90 thousand dollars over 10 years. Cost to carry this out will be approximately \$12,000; \$6,000 to bond counsel and \$6,000 to TUA to act as your municipal advisor.) Engineer Bivens explained that the current bond was not eligible for refinance until November, 2011 because any time prior to that an additional percentage over amount due.*

b) *Alderman Evans moved to approve contract with TUA to pursue conversion of bond to a bank note pending review by Town Attorney; seconded by Alderman Sanders. No further discussion. **Vote:** Evans-yes; Sanders-yes; Miller-yes; Herbert-yes. All favored; motion carried.*

8.6 Wastewater Plant Rehabilitation

a) *Alderman Evans moved to discuss; seconded by Alderman Sanders. Discussion: All bids were much higher than expected. Engineer John Gahring stated that bids were opened on June 20th and the lowest bid came in at \$619,594 which was \$250,000 over the SFR loan amount. Six contractors purchased bid package with only three turning in a bid. Main reason for bids coming in so high is price of sand filter and the fact that contractors are busy which causes higher bids. Engineer Gahring reviewed several options, including rejecting current bids and rebidding by redesigning or omitting part of the project.*

b) *Alderman Evans moved to reject all current bids and authorize Neel Schaffer to exercise their expertise in making the adjustments discussed tonight in trying to reduce the base bid price going forward; seconded by Alderman Sanders. **Vote:** Evans-yes; Sanders-yes; Miller-yes; Herbert-yes. All favored; motion carried.*

9) **Adjournment:** *Alderman Evans moved to adjourn; seconded by Alderman Miller. Adjourned at 7:59 PM.*

Bill Herbert, Vice-Mayor

Jamie Mrzena, Recorder

Date Approved