

**MINUTES OF THE
OAK RIDGE CITY COUNCIL
SPECIAL MEETING**

February 25, 2013

The second special meeting of the City Council of the City of Oak Ridge, Tennessee convened at 7:25 p.m. on February 25, 2013, in the Courtroom of the Municipal Building with Mayor Thomas L. Beehan presiding.

INVOCATION

The Invocation was delivered by Councilmember David N. Mosby.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag of the United States of America was led by Ms. Terry Frank.

ROLL CALL

Upon roll call the following councilmembers were present: Councilmember Trina Baughn; Mayor Thomas L. Beehan; Councilmember Anne Garcia Garland; Councilmember L. Charles Hensley; Councilmember Charles J. Hope, Jr.; Mayor Pro Tem D. Jane Miller; and Councilmember David N. Mosby.

Also present were Mark S. Watson, City Manager; Janice E. McGinnis, Finance Director; Kenneth R. Krushenski, City Attorney; and Diana R. Stanley, City Clerk.

RESOLUTIONS

Resolution No. 2-11-2013

**Resolution authorizing and providing for the financing of the construction of a wastewater facilities project, including authorizing the execution of applications, contractual agreements, and other necessary documents, and making certain representations, certifications, and pledges of certain revenue in connection with such financing.
(\$4,000,000.00 Principal Amount)**

Councilmember Hensley moved, seconded by Mayor Pro Tem Miller that the resolution be adopted.

City Manager Mark Watson reviewed that the purpose of the loan was to serve as a line of credit to help complete projects listed in the City's Remediation Plan. Mr. Watson noted that the two (2) differences between the two (2) resolutions presented was that one (1) was for a \$4 million principal amount, which also has a principal forgiveness clause, and the other for \$14 million principal amount.

Finance Director Janice McGinnis responded to inquires of Councilmember Mosby regarding the principal forgiveness clause being listed as a source of funding.

Mr. Martin McBride, 954 West Outer Drive, commented that his general concern is that the City has not exhausted all available options regarding the Administrative Order's (AO) impact on the community based on the lack of regulatory experience on City Council. Mr. McBride indicated that there are two (2) aspects that could be pursued: (1) extension of AO; and (2) cut the total cost of the Remediation Plan by a particular percentage to gage in the impact made on the AO. Mr. McBride recommended deferring action on the resolutions to continue negotiations with the Environmental Protection Agency. Mr. McBride responded to questions of Councilmember Mosby regarding possible negotiations for the AO.

Review and discussion of the resolution was discussed in-depth by members of City Council.

Mr. Robert Humphreys, 500 Michigan Avenue, had several inquiries: (1) consideration be given to cut money and projects from the budget that are not a necessity; (2) concerned over the Department of

Energy (DOE) not paying more in rates; (3) explanation from engineers regarding operating DOE's plant efficiently under the reduced water requirements; (4) water usage from Poplar Creek.

Ms. Brenda Fellner, 913 West Outer Drive, expressed her concerns regarding the water and wastewater rate increases and the impact this would have attracting younger families. Additionally, Ms. Fellner commented that the City consider other solutions to repair the City's infrastructures then pursuing debt.

After additionally discussions amongst City Council and city staff, Councilmember Baughn presented her first motion which was that City Council table this item for one (1) week to allow time for Council, staff, and the public to explore alternative funding solutions that do not further burden the rate payers and to develop a total cost estimate to the public since, to date, the public has not been provided a total cost estimate of the AO. Councilmember Garcia Garland seconded the motion for discussion purposes.

After discussion among City Councilmembers regarding Councilmember Baughn's motion, the motion failed by board vote with Councilmember Garcia Garland, Hensley, Hope, Mayor Pro Tem Miller, and Mayor Beehan voting "Nay," and Councilmember Baughn and Mosby voting "Aye."

Councilmember Baughn's second motion was that the City make a public request to any firm who is willing to review the City's Remediation Plan and provide suggestions for improvement with the understanding that funding for that firm(s) could come from cost savings identified. Councilmember Garcia Garland seconded the motion for discussion purposes.

At the request of Councilmember Garcia Garland, Public Works Director Gary Cinder explained that it would not be feasible to review the Remediation Plan without also reviewing all other supporting documentation that accompanies the Remediation Plan, and that staff would not know how to assess the quality of the firm's assessment given that the task has been a multi-year project for staff.

Councilmember Baughn clarified that her motion would not preclude progress of the remediation plan.

Following additional discussions, Councilmember Baughn's motion failed by board vote with Councilmember Garcia Garland, Hensley, Hope, Mosby, Mayor Pro Tem Miller, and Mayor Beehan voting "Nay," and Councilmember Baughn voting "Aye."

Councilmember Baughn's third motion was to commit to develop a plan of action to seek out those who are accountable for the many failures that lead to the EPA's decision to place an Administrative Order (AO) on the City. For discussion purposes, Councilmember Garcia Garland seconded the motion.

Following discussions, the third motion failed by board vote with Councilmember Hensley, Hope, Mosby, Mayor Pro Tem Miller, and Mayor Beehan voting "Nay," and Councilmember Baughn and Garcia Garland voting "Aye."

The main motion was approved by board vote with Councilmembers Garcia Garland, Hensley, Hope, Mosby, Mayor Pro Tem Miller, and Mayor Beehan voting "Aye," and Councilmember Baughn voting "Nay."

Resolution No. 2-21-2013

Resolution authorizing and providing for the financing of the construction of a wastewater facilities project, including authorizing the execution of applications, contractual agreements, and other necessary documents, and making certain representations, certifications, and pledges of certain revenue in connection with such financing.

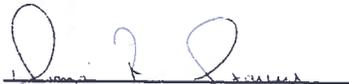
(\$14,000,000.00 Principal Amount)

Councilmember Garcia Garland moved, seconded by Councilmember Hensley that the resolution be adopted.

The motion was approved by board vote with Councilmembers Garcia Garland, Hensley, Hope, Mosby, Mayor Pro Tem Miller, and Mayor Beehan voting "Aye," and Councilmember Baughn voting "Nay."

ADJOURNMENT

The meeting adjourned at 8:50 p.m.



Diana R. Stanley, City Clerk

APPROVED BY CITY COUNCIL
March 18, 2013



Thomas L. Beehan, Mayor