

**MINUTES OF THE  
OAK RIDGE CITY COUNCIL**

May 13, 2013

The regular meeting of the City Council of the City of Oak Ridge, Tennessee convened at 7:00 p.m. on May 13, 2013, in the Courtroom of the Municipal Building with Mayor Thomas L. Beehan presiding.

**INVOCATION**

The Invocation was delivered by the Reverend Craig Kallio, St. Stephens Episcopal Church.

**PLEDGE OF ALLEGIANCE**

Mr. Andy Marathe led the Pledge of Allegiance to the Flag of the United States of America.

**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.

**APPEARANCE OF CITIZENS**

Mr. Andy Marathe, 121 Westlook Circle, commented that Council should be looking at the welfare of its citizens and their benefits.

Mr. Jeff Collins, 124 Tabor Road, expressed his appreciation to city staff for his years of service, and acknowledge his approximate 35 years of service with the City of Oak Ridge.

**PROCLAMATIONS AND PUBLIC RECOGNITIONS**

(NONE)

**SPECIAL REPORTS**

(NONE)

**CONSENT AGENDA**

Councilmember Hensley moved, seconded by Councilmember Hope to approve the Consent Agenda as presented. The motion carried by unanimous voice vote with Councilmembers Baughn, Garcia Garland, Hensley, Hope, Mosby, Mayor Pro Tem Miller, and Mayor Beehan voting "Aye," thereby approving:

- The April 8, 2013 City Council meeting minutes.
- **Resolution No. 05-28-2013** awarding a bid in the estimated amount of \$36,842.90 to Nedrow & Associates, Murfreesboro, Tennessee, for the furnishing of one digester pump for the Wastewater Treatment Plant.

**RESOLUTIONS**

**Resolution No. 05-29-2013**

**A resolution approving the FY2014 Annual Action Plan and proposed allocations of Community Development Block Grant (CDBG) entitlement funds for FY2014 estimated at \$215,024.00.**

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

Following a brief overview by the City Manager and discussions amongst the councilmembers, the resolution was approved by unanimous voice vote with Councilmembers Baughn, Garcia Garland, Hensley, Hope, Mosby, Mayor Pro Tem Miller, and Mayor Beehan voting "Aye."

**Resolution No. 05-30-2013**

**A resolution to extend the contract with Pugh & Company, P.C., Knoxville, Tennessee, approved by Resolution 5-44-08, to conduct an audit of the City's accounts and funds for Fiscal Year 2013, an audit of the Convention and Visitors Bureau, and preparation of notes and financial statements in the Comprehensive Annual Financial Report, in the estimated amount of \$62,950.00.**

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

Finance Director Janice McGinnis responded to inquires of City Council regarding rates of auditors, rate locks, and rotation of auditors. The resolution was approved by unanimous voice vote with Councilmembers Baughn, Garcia Garland, Hensley, Hope, Mosby, Mayor Pro Tem Miller, and Mayor Beehan voting "Aye."

**Resolution No. 05-31-2013**

**A resolution to close the Economic Diversification Fund at the end of Fiscal Year 2013, to transfer the Economic Diversification Fund balance to the General Fund and assign the fund balance for certain purposes, and to encumber \$25,000.00 from the City Manager's budget from Fiscal Year 2013 to Fiscal Year 2014 and to designate the encumbered funds for miscellaneous economic diversification activities.**

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

The City Manager provided an overview of the transfer of the Economic Diversification Fund. The City Manager responded to inquiries of City Council regarding economic development and the purpose and possible uses for the encumbered funds

Mr. Andy Marathe, 121 Westlook Circle, inquired about the usage of funds for the sale of Parcel A.

The resolution was approved by unanimous voice vote with Councilmembers Baughn, Garcia Garland, Hensley, Hope, Mosby, Mayor Pro Tem Miller, and Mayor Beehan voting "Aye."

**PUBLIC HEARINGS AND FIRST READING OF ORDINANCES**

**AN ORDINANCE TO PROVIDE REVENUE FOR MUNICIPAL PURPOSES FOR THE FISCAL YEAR BEGINNING JULY 1, 2013, BY IMPOSING A TAX ON ALL PROPERTY WITHIN THE CITY, FIXING THE RATE OF THE TAX, ADOPTING A BUDGET, AND ADOPTING APPROPRIATIONS.**

Councilmember Hensley moved, seconded by Councilmember Hope that the ordinance be approved on first reading.

At the request of the Mayor, the City Manager presented an overview of budget FY2014 which included the following subjects: budgetary assumptions, economic development changes, breakdown of funds, interests of City Council based on discussions, and the observations of City Manager.

The Mayor opened the floor to receive public comments:

Mr. Jeff Collins, 124 Tabor Road, commented that the 1% raise to be received by city employees was not significant. Mr. Collins indicated that he would like City Council and City Staff to work together toward a

10% across the board salary raise for city employees.

Mr. Andy Marathe, 121 Westlook Circle, commented that although the city services are great, there was room for improvement, particular with the City's infrastructure.

Mr. Aditya Savara, 109 Trenton Drive, provided his suggestions on spending less and specifically addressed the spending on the public library. Mr. Savara request that the City request that the Library Director reduce the staff in three different scenarios: reduce 3 to 5 staff members, reduce staff by 12, or reduce staff by 8 to determine what services would be lost. Additionally, Mr. Savara requested that the City bring in money as well, either by leasing the golf course or leasing the disc golf course located on Tuskegee, Avenue.

Mayor Pro Tem Miller moved, seconded by Councilmember Hensley to close the public hearing. The motion was approved by unanimous voice vote with Councilmembers Baughn, Garcia Garland, Hensley, Hope, Mosby, Mayor Pro Tem Miller, and Mayor Beehan voting "Aye."

Police Chief James Akagi responded to inquires of Mayor Beehan regarding services of the Animal Shelter, as well as questions presented by Councilmember Hensley on school resource officers.

Councilmember Baughn indicated that she had a number of motions to present to City Council that would reduce the property tax rate.

First, Councilmember Baughn moved to eliminate excess funding for acquiring and demolishing blighted properties. Ms. Baughn explained that this motion would reduce the tax rate by approximately 1.6 cent. The motion was seconded by Councilmember Garcia Garland for discussion purposes. The motion failed by board vote with Councilmembers Hensley, Hope, Mosby, Mayor Pro Tem Miller, and Mayor Beehan voting "Nay," Councilmember Baughn voting "Aye," and Councilmember Garcia Garland abstaining.

Second, Councilmember Baughn moved to refund a small portion of the Economic Development Fund by under 1/3 for a saving to the tax payer of 1 cent off the property tax rate or \$90,000.00. The motion was seconded Councilmember Garcia Garland. Following brief discussions, the motion failed by board vote with Councilmembers Garcia Garland, Hensley, Hope, Mosby, Mayor Pro Tem Miller, and Mayor Beehan voting "Nay," and Councilmember Baughn voting "Aye."

Third, Councilmember Baughn moved to return 3 cents off the property tax rate to the tax payers via a 20% reduction of total city travel expenditures. The motion was seconded by Councilmember Garcia Garland. Councilmember Garcia Garland offered an amendment to Councilmember Baughn's amendment to a 10% reduction of total city travel expenditures. The amendment was seconded by Councilmember Baughn. Councilmember Garcia Garland's motion failed by board vote with Councilmembers Hensley, Mosby, Mayor Pro Tem Miller, and Mayor Beehan voting "Nay," and Councilmembers Baughn, Garcia Garland, and Hope voting "Aye." The original motion offered by Councilmember Baughn failed by board vote with Councilmembers Hensley, Hope, Mosby, Mayor Pro Tem Miller, and Mayor Beehan voting "Nay," and Councilmembers Baughn and Garcia Garland voting "Aye."

Fourth, Councilmember Baughn moved for a 50% reduction of membership dues, besides the Oak Ridge Chamber of Commerce, Anderson County Economic Development Association, and Innovation Valley while determining membership value which would result in approximately 1/3 reduce in the property tax rate. The motion was seconded by Councilmember Garcia Garland for discussion purposes. City Councilmembers discussed the motion, the benefits of memberships, and possible future evaluations. Councilmembers Garcia Garland, Hensley, Hope, Mosby, Mayor Pro Tem Miller, and Mayor Beehan voting "Nay," and Councilmember Baughn voting "Aye."

Fifth, Councilmember Baughn moved to reduce the funding of the library to the same level as the Blunt County Library which spends \$16 per person with a 10.5 cent reduction in the property tax rate. The

motion was seconded by Councilmember Garcia Garland. City Council discussed the motion, including some alternatives in the reduction amount and possibility rearrangement of resources and funds. The motion failed by board vote with Councilmembers Garcia Garland, Hensley, Mosby, Mayor Pro Tem Miller, and Mayor Beehan voting "Nay," Councilmember Baughn voting "Aye," and Councilmember Hope abstaining.

Sixth, Councilmember Baughn moved to reduce the Recreation and Parks budget by 10% with a 3 cent reduction in the property tax rate. Following brief discussions regarding services and amenities offered by the Parks Department, the motion failed by board vote with Councilmembers Garcia Garland, Hensley, Hope, Mosby, Mayor Pro Tem Miller, and Mayor Beehan voting "Nay," and Councilmember Baughn voting "Aye."

Next, Councilmember Baughn moved to call a special-called meeting between the first and second reading of the ordinance for Council to have full discussion related to the FY2014 budget. The motion was seconded by Mayor Pro Tem Miller with an amendment that the remainder of Councilmember Baughn's proposals be tabled. The motion passed by board vote with Councilmembers Baughn, Garcia Garland, Mosby, Mayor Pro Tem Miller, and Mayor Beehan voting "Aye," and Councilmembers Hensley and Hope voting "Nay."

Councilmember Hope moved to increase the funding in the General Fund in three (3) critical areas: (1) Increase funding by \$200,000.00 for economic development by adding an additional \$75,000.00 to the Oak Ridge Chamber of Commerce Contract with the remaining \$125,000.00 established as a contingency; (2) Increase capital maintenance of the Maintenance and Operation Fund by \$250,000.00; (3) Add \$50,000 to start the process of pre-engineer drawings and studies for the relocation of Fire Station No. 2 to Melton Lake Drive. Councilmember Hope noted that the above motion could be considered at the special-called meeting. The motion was seconded by Councilmember Hensley.

City Council discussed Councilmember Hope's amendment in detail, particular with regard to funding.

Councilmember Mosby moved, seconded by Councilmember Baughn to table consideration of Councilmember Hope's above amendment until the special-called meeting that is to be scheduled. The motion passed by board vote with Councilmember Baughn, Garcia Garland, Hope, Mosby, Mayor Pro Tem Miller, and Mayor Beehan voting "Aye," and Councilmember Hensley voting "Nay."

The original motion to approve the ordinance on first reading passed with Councilmembers Garcia Garland, Hensley, Mosby, Mayor Pro Tem Miller, and Mayor Beehan voting "Aye," and Councilmembers Baughn and Hope voting "Nay."

#### **FINAL ADOPTION OF ORDINANCES**

##### **Ordinance No. 03-2013**

**AN ORDINANCE TO AMEND THE COMPREHENSIVE PLAN'S LAND USE PLAN BY CHANGING THE DESIGNATION OF A PORTION OF PARCEL 1.00, MAP 105H, GROUP A, (APPROXIMATELY 1.16 ACRES) FROM R, RESIDENTIAL TO B, BUSINESS, SAID PARCEL BEING LOCATED AT 2095 OAK RIDGE TURNPIKE.**

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

Community Development Director Kathryn Baldwin provided a brief overview regarding the ordinance, including the rezoning. Ms. Baldwin explained that the proposed user, Dollar General Store, had completed the easement agreement needed for the rezoning request.

The motion carried by unanimous voice vote with Councilmembers Baughn, Garcia Garland, Hensley, Mosby, Mayor Pro Tem Miller, and Mayor Beehan voting "Aye," with Councilmember Hope abstaining.

**Ordinance No. 04-2013**

**AN ORDINANCE TO AMEND ORDINANCE NO. 2, TITLED “THE ZONING ORDINANCE OF THE CITY OF OAK RIDGE, TENNESSEE,” BY AMENDING THE ZONING MAP WHICH IS MADE A PART OF THE ORDINANCE BY CHANGING THE ZONING DISTRICT OF A PORTION OF PARCEL 1.00, MAP 105H, GROUP A, (APPROXIMATELY 1.16 ACRES) FROM RG-1/, RESIDENTIAL OPEN SPACE AND RESERVED AND RG-1/FLOOD FRINGE, TO UB-2, UNIFIED GENERAL BUSINESS AND UB-2/FLOOD FRINGE, SAID PARCEL BEING LOCATED AT 2095 OAK RIDGE TURNPIKE.**

Mayor Pro Tem Miller moved, seconded by Councilmember Hensley that the ordinance be adopted. The motion carried by unanimous voice vote with Councilmembers Baughn, Garcia Garland, Hensley, Mosby, Mayor Pro Tem Miller, and Mayor Beehan voting "Aye," with Councilmember Hope abstaining.

**ELECTIONS/APPOINTMENTS, ANNOUNCEMENTS AND SCHEDULING**

Elections/Appointments

Announcements

Scheduling

**COUNCIL REQUESTS FOR NEW BUSINESS ITEMS OR FUTURE BRIEFINGS**

*Request from Councilmember Baughn*

Councilmember Baughn reviewed her request for new business for Council's exploration that was presented on the May 13, 2013 agenda, which included the following items:

1. Direct the city manager to pursue converting the following city-owned assets into taxable properties:
  - a. Put the golf course up for sale
  - b. Terminate the lease agreement with the Chamber of Commerce and place property for sale
  - c. Put the Commerce Park building located next to Tech 2020 up for sale
  - d. Establish a policy for returning acquired blight properties to a taxable status as quickly as possible
2. Request that the IDB provide proof that the PILT program has provided a return on investment great enough to justify the abatements provided.
3. Commission a team of representatives from the City of Oak Ridge, Anderson County, Roane County along with their respective property assessors to research and eventually negotiate voluntary PILT agreements with exempt organizations who are most able to afford paying for city services that are currently paid for by the taxpayer, i.e. Methodist Medical Center, Oak Ridge Utility District, Tech 2020, Roane State Community College and the University of Tennessee.

It was determined to discuss each item individually beginning with putting the golf course up for sale. City Council had detailed discussions regarding the following items: *“put the golf course up for sale, terminate the lease agreement with the Chamber of Commerce and place property for sale, put the Commerce Park building located next to Tech 2020 up for sale.”*

Ms. Ellen Smith, 116 Morningside Drive, commented that if the City were to sell the golf course, currently, then it would be at a net a loss, and that the revenues of the golf course are exceeding operating expenses.

Mr. Joe Lee, 99 East Pasadena Road, expressed his objection to selling assets and requesting tax fees from non-profits.

Mr. Aditya Savara, 109 Trenton Drive, expressed his support for the Convention Center idea for the City of Oak Ridge.

Mr. Parker Hardy, 123 Amanda Drive, President of the Oak Ridge Chamber of Commerce, clarified that there was a lease on the property and the building, located on the property, had a mortgage. Mr. Hardy responded to questions and comments of City Council regarding ownership of the parking lot.

Mr. Joe Lee, 99 East Pasadena Road, expressed his objection to the dismantling of the Oak Ridge Chamber of Commerce and commented that having a Chamber is a positive notion for the City.

No action was taken on the three new business items proposed by Councilmember Baughn.

Councilmember Baughn commented that the following two (2) items could be discussed at another meeting: "establish a policy for returning acquired blight properties to a taxable status as quickly as possible" and "request that the IDB provide proof that the PILT program has provided a return on investment great enough to justify the abatements provided."

*Commission a team of representatives from the City of Oak Ridge, Anderson County, Roane County along with their respective property assessors to research and eventually negotiate voluntary PILT agreements with exempt organizations who are most able to afford paying for city services that are currently paid for by the taxpayer, i.e. Methodist Medical Center, Oak Ridge Utility District, Tech 2020, Roane State Community College and the University of Tennessee.*

No action was taken regarding consideration of the voluntary PILT agreements.

Ms. Ellen Smith, 116 Morningside Drive, commented that she has seen some instances of voluntary PILT being utilized with larger ivy-league colleges, such as Yale University, but does not believe that the City has the entities that would be able to participate.

#### **SUMMARY OF CURRENT EVENTS**

##### CITY MANAGER'S REPORT

(NONE)

##### CITY ATTORNEY'S REPORT

(NONE)

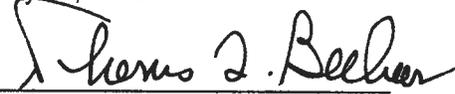
#### **ADJOURNMENT**

The meeting adjourned at 10:13 p.m.

  
Diana R. Stanley, City Clerk

APPROVED BY CITY COUNCIL

May 28, 2013



Thomas L. Beehan, Mayor