

CITY OF HENDERSONVILLE
BOARD OF MAYOR AND ALDERMEN
MINUTES OF REGULAR MEETING
AUGUST 28, 2012

PRESENT

SCOTT FOSTER, MAYOR
GARRY FORSYTHE, VICE-MAYOR
STEVE BROWN, ALDERMAN
ARLENE CUNNINGHAM, ALDERMAN
TOMMY ELSTEN, ALDERMAN
HAMILTON FROST, ALDERMAN
PAUL R. GOODE, ALDERMAN
JIM HOBACK, ALDERMAN
JACK LONG, ALDERMAN
FRED QUALLS, ALDERMAN
SCOTT SPROUSE, ALDERMAN
MATT STAMPER, ALDERMAN
LISA WEST, ALDERMAN
JOHN BRADLEY, CITY ATTORNEY
KAY FRANKLIN, INTERIM CITY RECORDER

AGENDA

Elsten moved; seconded by Stamper for acceptance of the agenda.

Sprouse moved; seconded by Forsythe to add reading of Resolution 2012-19 as it has not been two weeks since Finance Committee review.

There was a unanimous vote for approval to add Resolution 2012-19 to the agenda.

There was a unanimous vote for approval of acceptance of the agenda as amended.

MINUTES

Frost moved; seconded by Elsten for approval of the August 14, 2012 minutes.

There was a unanimous vote for approval.

CITIZENS COMMENTS

E.P. Ausbrooks, 140 Fairways Drive, addressed the Board stating he will continue to speak out on what is wrong in the City as it is his duty to do so.

Donna DeSopo, 101 Chambliss, addressed the Board stating there seems to be a problem when requesting information that is being condoned. She further stated infrastructure issues have been ignored in the past and federal funds spent on other projects.

As there was no one else desiring to speak, Foster declared Citizens Comments closed.

REPORTS

Finance Committee – recommended a resolution approving general fund expenditures in the amount of \$40,500 to replace heating and air units at the Police Department and Monthaven; reviewed the July and August monthly reports and reported sales tax collection is \$174,000 over budget estimates.

General Committee – no report.

Public Safety Committee – no report.

Public Works Committee – no report.

Long stated the Public Works Committee had voted to pull the letter of credit and all bonds on Mansker Farms Subdivision but he now understands attorneys have become involved. He further stated his understanding that \$47,000 of that money has been received by the City Attorney with the money allocated for Phase 6 but the developers want to use the money for another area.

Bradley explained some money has been received, but \$1.2 million dollars in bonds have been called as part of an on-going process. He further explained the letter of credit has been called and the amount due under the letter of credit is in the City's possession.

Cunningham questioned the amount of funds due from the letter of credit.

Bradley stated \$47,000 has been received from the letter of credit, which only covered one section of one phase for work due to be done to finish that one section.

Cunningham questioned whether this work due was certified at a Public Works Committee as the Committee approved collecting \$127,000.

Bradley explained the amount of undone work in a section must be certified to the bank and this was the amount given to him by the Public Works Director based on a bid from Rogers Group to complete the one section. He further stated bonds in the amount of \$1.2 million have been called to complete the overall project.

Cunningham stated her understanding that the developer wanted to put that money in escrow to do other phases in Mansker Farms and she advised him to contact City Hall. She further questioned why \$127,000 has not been collected to be used in other areas of Mansker Farms. Bradley explained that unless the developer agreed otherwise, the City could only collect from this letter of credit for work to be done in the one section of the one phase.

Hoback stated the Public Works Committee voted to pull \$127,000 from the letter of credit and questioned who decided to collect the \$47,000.

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Bradley stated the Public Works Director estimated the amount of damage to Phase 6, Section 3 based on the Rogers Group bid to finish that section.

Foster stated at some point there needs to be a discussion about the way letters of credit and performance bonds work. He explained this particular letter of credit was for one specific section and included ingress and egress roads.

West stated she feels that once a decision is made in a committee and something else takes place, there needs to be communication and asked for future communication to take place.

Bradley stated the Public Works Committee's recommendation had been conveyed to the developer. He further stated the \$1.2 million bonds are more important than the letter of credit. He stated the developer was told this issue would go before the Public Works Committee again and asked that they have something for the Public Works Committee to review and approve at that time.

Cunningham stated she feels the developer is not intending to do the work required.

Bradley stated the Public Works Committee would review what work is being done.

Foster explained that even when performance bonds are called, we must work with insurance companies to complete the project in a negotiated process.

Long stated it is easier to get the letter of credit money than bond money. He stated he wants to be called and be informed on such decisions.

Sprouse stated letters of credit and bonds are basically insurance policies the City has available to complete work promised by the developer if it is not completed. He cited a limitation on public discussion as the need arises for the city to operate as a private business in situations such as lawsuits or property purchases in order to protect the interests of citizens.

Long stated due to increased costs over the life of the Mansker Farms development, there will not be enough money to cover all the work to be done.

Stamper called for a point of order.

Capital Projects Committee – no report.

Planning Commission – no report.

Mayor – reported work is progressing on widening the Indian Lake Boulevard Bridge; right-of-way acquisition is in progress for the New Shackle Island Road widening and reported median modification work is being done for the traffic signal synchronization at the intersections of Anderson Lane and Gallatin Road and Anderson Lane and Indian Lake Boulevard.

Goode announced the 21st annual Daniel Smith Days will be held at Rock Castle on September 15 and 16, 2012.

ORDINANCES AND RESOLUTIONS

The caption of Ordinance 2012-22 was read on first reading, an Ordinance amending the Zoning Ordinance and map by rezoning property located at 216 Shivel Drive from Town Center-Residential (TC-R) to Office Professional Services (OPS). Qualls moved; seconded by Long.

Sprouse questioned why this rezoning was to OPS instead of TC-C.

Planning Director Fred Rogers explained an OPS zoning would only allow for office uses and a TC-C zoning would allow retail and restaurant uses.

Sprouse questioned if there are any concerns about stricter design standards with the TC-C zoning.

Rogers stated this concern would be addressed through the regular design review standards and any renovations that would be done have to be compatible with the surrounding area.

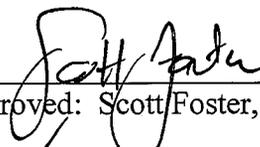
There was a unanimous vote for approval of Ordinance 2012-22 on first reading.

The caption of Resolution 2012-19 was read, a Resolution approving general fund expenditures in the amount of \$40,500.00 to replace heating and air units for the Police Department and Monthaven. Forsythe moved; seconded by Hoback.

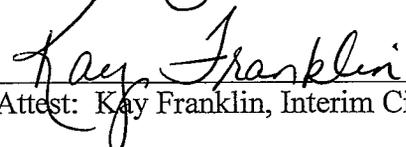
Foster explained this is grant money set aside for green building initiatives that was not used and was sent back to the grant agency. He further explained the agency asked if the funds could be used elsewhere and the City is taking advantage of these funds to replace the old units with more efficient units. He stated the deadline to use the grant money is rapidly approaching and the general fund account will be replenished once the grant funds arrive.

There was a unanimous vote for approval of Resolution 2012-19.

Upon motion and second and followed by a unanimous vote for approval, the meeting adjourned at 8:15 p.m.



Approved: Scott Foster, Mayor



Attest: Kay Franklin, Interim City Recorder