

MINUTES
OF THE
BOARD OF MAYOR AND ALDERMEN

June 13, 2024

The Board of Mayor and Aldermen of the City of Henderson, Tennessee met in regular session on Thursday, June 13th, 2024, at 7:00 P.M. in the Council Chamber of the City of Henderson City Hall. Present and presiding was Mayor Robert W. (Bobby) King. City Recorder Jim E. Garland called the roll with the following being present:

Aldermen: Mark A. Barber, Donna R. Butler, Buel Maness, Jason Rhodes, and Keith Smith.

Absent: Michael Phelps

Also present at the meeting were: City Recorder Jim E. Garland, City Attorney Jerry Spore, Police Chief Gary Davidson, Building Official Brent Beshires, Public Works Director Carter Scales, Fire Chief Doug Acred, Utility Director Darryl Green, and Asst CMFO Alicia Holder.

Mayor King called the meeting to order at the appointed time. Alderman Smith gave the invocation, and Alderman Rhodes led the Pledge to the Flag. The following proceedings were entered here-to-wit:

The minutes of the previous regular meeting were presented for approval. A motion was made by Ald. Butler to accept the minutes as presented, duly 2nd by Ald. Maness. Motion carried.

The accumulated accounts were presented for informational purposes. There being no questions on the accounts, the meeting continued.

The first item on the agenda was a call for delegations to address the board. There being no delegations, the meeting continued.

The next item on the agenda was to consider an ordinance on the final reading to increase all Sanitation Rates by approximately 5.71%. This will result in an increase of \$1.00 per month for residential customers. Recorder Garland stated that this is the same ordinance passed last month and is the first increase since July 2019. The residential rate will go from \$17.50 per month to \$18.50 per month and the commercial rate will increase by 5.71%. A motion was made by Ald. Butler to approve Ord #568, increasing the sanitation rates, duly 2nd by Ald. Smith on the final reading. Upon a roll call vote, the following was cast:

Ayes: Mark A. Barber, Donna Butler, Buel Maness, Jason Rhodes, and Keith Smith.

Absent and not voting: Michael Phelps

Noes: None.

Mayor King declared Ordinance #568, approved on the final reading.

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The next item on the agenda was to consider final action on the 2024-2025 City Budget and Tax Rate. The tax rate will remain the same at \$0.90 per \$100 of assessed value.

1. Public Hearing on the proposed budget.
2. Consider the passage of the Budget and Tax Rate Ordinance on the final reading.

Mayor King opened the public hearing. There were no comments. Mayor King closed the public hearing

Recorder Garland stated that this was the same City Budget and Tax Rate Ordinance that passed on the first reading last month. A motion was made by Ald. Smith to adopt the 2024-2025 City Budget ordinance on the final reading, duly 2nd by Ald. Barber. Upon a roll call vote, the following was cast:

Ayes: Mark A. Barber, Donna Butler, Buel Maness, Jason Rhodes, and Keith Smith.
Absent and not voting: Michael Phelps
Noes: None.

Mayor King declared Ordinance #569, approved on the final reading.

The next item on the agenda was to consider a Resolution approving the 2024-2025 Operations and Capital Expenditure Budget for the Water/Sewer Fund and the Natural Gas Fund. UD Green stated that there have been no changes to the budget since the budget committee meeting. A motion was made by Ald. Barber to approve the 2024-2025 Utility Department Operations and Capital Expenditures Budget as presented, duly 2nd by Ald. Butler. Upon a roll call vote, the following was cast:

Ayes: Mark A. Barber, Donna Butler, Buel Maness, Jason Rhodes, and Keith Smith.
Absent and not voting: Michael Phelps
Noes: None.

Mayor King declared Resolution #2024-007 as passed.

The next item on the agenda was to consider an ordinance amending the 2023-2024 (Current Year) Budget to account for ongoing Grant Projects. Recorder Garland stated that this was discussed during the budget meeting to account for grants received during the year that were not expected. After further discussion, a motion was made by Ald. Smith to approve the proposed ordinance on the first reading, duly 2nd by Ald. Rhodes. Upon a roll call vote, the following was cast:

Ayes: Mark A. Barber, Donna Butler, Buel Maness, Jason Rhodes, and Keith Smith.
Absent and not voting: Michael Phelps
Noes: None.

The second reading will take place at the July meeting.

The next item on the agenda was to consider an Ordinance amending the text of the Henderson Municipal Zoning to allow Electric Substations as a Use Permitted on Appeal in Residential Districts.

1. Public Hearing on the proposed amendment.

2. Consider action on the Ordinance.

Mayor King opened the public hearing.

Mr. Gene Balius addressed the board, he had a local petition with 371 signatures going against the substation at this location. He talked through the slides of a PowerPoint presentation that listed health and safety concerns, construction issues, and property devaluation that they felt would result with the substation coming so close to the neighborhood he represented (Jacks Creek Cove).

Ms. Valerie Pitoni addressed the board stating that she has already lost 70% of her annual income via her loss of short-term rental income (660 Jacks Creek Cove) due to the possibility of this substation being constructed at the proposed location.

Ms. Taylor Carroll addressed the board with her children stating that she was concerned with health issues that may happen to her children due to the potential substation.

Mr. Clint Malone – VP of Engineering at STEMCO addressed the board stating that STEMCO is owned, operated, and controlled by the members of STEMCO and one of their core principles is ‘concern for community’. He stated that there were studies where EMFs have been measured in front of a microwave and the EMFs measured were 50 times that of what was measured outside of the substation they tested. He then stated that they were running out of capacity in the City of Henderson meaning that a substation would have to be constructed somewhere to lessen the load on the current. For them to consider another location would mean starting the process over again which would cost an additional 2.5M to 3M dollars and add 18-24 months to the project. There were no further comments. Mayor King closed the public hearing

Mayor King asked about the Atoka, TN substation and what the zoning rules were that allowed it to be constructed. Mr. Kevin Murphy – President of STEMCO stated that it was owned by Doug Walker at the time and was zoned residential. Mr. Murphy stated that they were not asking to re-zone as they didn’t want a gas station to be allowed there.

Ald. Maness stated that he cannot blame residents for being upset but the substation has got to go somewhere to allow the capacity that is needed and this is the best location. No matter where it goes, it will affect somebody.

Ald. Butler asked what the construction timeline was. It would take approximately nine to twelve months.

After further discussion and much hesitation, a motion was made by Ald. Smith to approve the ordinance amending the zoning text to allow Electric Substations as a “Use Permitted on Appeal.” in Residential Districts, duly 2nd by Ald. Maness. Upon a roll call vote, the following was cast:

Ayes: Mark A. Barber, Donna Butler, Buel Maness, and Keith Smith.

Recusing due to conflict of interest: Jason Rhodes

Absent and not voting: Michael Phelps

Noes: None.

Mayor King declared the ordinance approved on the first reading. The second reading will take place at the July meeting.

The next item on the agenda was to consider approving the local match for the DRA Water Line Project Grant application. UD Green stated at the Magic Valley area the water line is under Highway 45 much like a residential water line. There is an approximate 2000-foot section that does not have fire hydrants and it is recommended to have one every 500 feet in a commercial area. He is requesting that they apply for a grant to extend the line towards Wilson School Road and once the

line is installed the old line will be abandoned. This will be a 15% match grant. The project will run from approximately Duck's Market to Zippy's gas station. After further discussion, a motion was made by Ald. Butler to adopt Resolution # 2024-006 as presented, duly 2nd by Ald. Rhodes. Upon a roll call vote, the following was cast:

Ayes: Mark A. Barber, Donna Butler, Buel Maness, Jason Rhodes, and Keith Smith.
Absent and not voting: Michael Phelps
Noes: None.

Mayor King declared Resolution No. 2024-006 be duly adopted.

The next item on the agenda was to consider approving purchasing a new patrol unit on state contract for delivery after July 1st. Police Chief Davidson stated that they discussed this in the budget committee meetings and there is a vehicle available now. He would like to go ahead and purchase the vehicle with payment to be made after July 1st, 2024. A motion was made by Ald. Barber to approve the purchase, duly 2nd by Ald. Maness. Motion carried.

The next item on the agenda was to consider approving the advertising and hiring of the new patrolman position approved in the 24-25 Budget. Police Chief Davidson stated that they are having a hard time getting applicants and would like to advertise now but not hire until after July 1st. A motion was made by Ald. Rhodes to approve advertising for a new patrolman, duly 2nd by Ald. Butler. Motion carried.

Any other Business:

1. Discuss the availability of the FirstBank North Branch property adjacent to City Hall. Recorder Garland stated that the First Bank North Branch closed in February 2024. He reached out to the bank staff and asked what the plan was for the property. He was told that the bank and county had been in discussion but the county has not made an offer on the property. He reached out again and was told they were going to list it. If the city was interested, they would hold off advertising. The asking price is \$225,000 in real estate. The staff told him that the appraised value was \$190,000. We need more parking, not necessarily the building. After further discussion, a motion was made by Ald. Smith to write up an offer of intent to buy for \$190,000 with no restrictions on the property and to close by July 31st, duly 2nd by Ald. Rhodes. Motion carried.
2. Consider hiring an architect to complete the specifications for replacing the metal roof, sides, and gutters on the Utility Operations Building at 60 Record Drive. UD Green stated that they have discussed replacing the roof since they moved in. Repairs have been attempted, there is damage to corners and the drainage issues have caused rotted panels. He would like to have a local architect look at the building and give specs on what would be needed to get all the metal (roof, sides, and gutters) repaired correctly. This building was built in 1979. A motion was made by Ald. Barber to secure an architect for the project, duly 2nd by Ald. Smith. Motion carried.

UD Green stated that the North Avenue project pipework is completed. They will let the road settle for a week or two before paving. Currently, there are detours for loose gravel.

Fire Chief Acrod thanked the board for the way they conduct business and he appreciates them.

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PWD Scales stated Church Street and Garland Bottom Road have been striped and the sidewalks are completed.

Mayor King stated that they are going to bid for asphalt for the July meeting and he wants to complete paving on North Avenue from Fourth back to Downtown.

Recorder Garland stated that Chief Acred and Chief Mechanic Melton installed the siren control box at Premier Way and Industrial Drive. He thanked them for saving that cost.

Ald. Barber thanked the folks from Jacks Creek Cove for coming and expressing their concerns. He is very empathetic and if there was a better place to put it, they would. He challenged STEMC to protect the families.

Ald. Smith concurred with what Ald. Barber said adding that this was a very serious and tough decision. He asked about the status of the installation of the lights at the maintenance shop. Recorder Garland stated that he would be going out tomorrow to check it.

Mayor King asked Recorder Garland about the roof structure over the PW gravel and salt bins and stated that they really needed to get the old building tore down on the Mill Street site. UD Green stated that they have the plans for the water plant renovation and the lime has been moved to a temporary location. Recorder Garland stated that the demolition will be bid out.

Ald. Butler agreed with Ald. Barber and Ald. Smith stated that they had all struggled with the decision on the substation.

Mayor King stated that the first TDEC ARP project was almost complete. UD Green stated that the next project would be to replace the cast iron water lines on Newsom, Laura, North, and South Carolina Streets, then replace the wastewater pumping station on Hwy 45 with a gravity line to the existing outflow line at the rear of the Industrial Park.

Mayor King noted that several years ago when they did the North Avenue project from Third Ave to Fourth Ave the cost was \$80,000. The current project from 7th Avenue to White was a \$155,000 change order. The cost of chemicals for sewer has tripled.

The Multi-Modal project is very close to completion.

There being no other business, a motion was made by Ald. Barber to adjourn, duly 2nd by Ald. Smith. Motion carried.

Signed: Robert W. King

APPROVED: _____
MAYOR

Signed: Jim E. Garland

ATTEST: _____, CITY RECORDER