

REGULAR MEETING  
CITY COUNCIL OF THE CITY OF NASHVILLE  
COUNTY OF BERRIEN  
July 13, 2009

INVOCATION: Johnny Hall delivered the invocation.

PLEDGE: Pledge of Allegiance was led by Mayor Travis Harper

WELCOME: Mayor Harper welcomed all in attendance.

ROLL CALL: Members of the City Council present included Aldermen Bill Turner, Scott Stalnaker, Dick Perryman and Mayor Harper.

STAFF PRESENT: Mandy Luke, Johnny Hall, Henry Yawn, John Reynolds, Tommy Davis, Peter Schultz and Mitchell Moore.

OTHERS PRESENT: Randall Milton, Fern Turner, John Hunkele, Dawn Morrison, Debbie Cole, Mary Howard Clayton, Brian Shaw, Margie Tygart, Judy Dasher, Gail Benjamin, Carrie Zieger and Kathy Crumbley.

ADOPTION OF MINUTES FROM PREVIOUS MEETING: Attorney Moore noted corrections that need to be corrected in Public Hearing Minutes. He told the group that where the word precedence appears should be changed to precedent. Also in the Public Hearing Minutes where it stated that Mr. Butch Alexander stated he has fear of the property falling into an inheritance state and being sold to someone who might tear down the house in order to build four houses. Attorney Moore remarked he was not referring to the property that Mr. DeLoach was requesting a variance on but the John David Luke property. Attorney Moore also stated that in the regular Council Meeting Minutes under the Subject Title: Coastal Engineering Updates, where it states that John told him the origination fees are 2% of the 1% and 1% on the 3.8, should be corrected to say 2% on the 3% instead of the 1%. Following these noted corrections Alderman Richbourg made a motion seconded by Alderman Turner to adopt the minutes of Budget Workshop held on June 17, 2009, the Public Hearing held on June 29, 2009 and the Regular Meeting held on June 29, 2009 with the noted corrections of these minutes. Motion was carried unanimously.

ADOPTION OF FORMAL AGENDA: Mayor Harper asked if there were any additions or deletions to the Agenda. It was requested that John Hunkele from Coastal Engineering be added to the Agenda. Attorney Moore requested a brief Executive Session following the regular meeting. There being no other additions or deletions Alderman Richbourg made a motion seconded by Alderman Stalnaker to approve the Formal Agenda with the noted additions. Motion was carried unanimously.

NEW BUSINESS

1. LIBRARY BOARD BUDGET REQUEST – MARY HOWARD CLAYTON - Mrs. Clayton informed the group that she along with the Library Board are here to address the letter received from the City Manager regarding the reduction in the City's donation to the Library for the next fiscal year. She then introduced the members of her board that are present. She told the group that Mr. Brian Shaw will be the spokesperson for the group. Mr. Shaw began by stating he is not only a representative for the Library Board but a citizen of Nashville as well as one who is a regular consumer of products in the City. He expressed appreciation to the Mayor and Council for their contributions they have made in their official capacity as well in their professional lives. He echoed Mrs. Clayton's statement for their reason for being here. He remarked he fully understands the City's need to reduce the budget. He told the group that 16% of the board's budget depends heavily on local donations. He emphasized the Library needs local assistance. Mr. Shaw continued by informing the group of the various services offered to the public by the Library. He told the group that they have seen a 60% increase in use of computers especially since so many people are out of work. He stated that when hard times hit the volume goes up. He informed the group that the local library had more participation in youth reading than others in the region. He told the group that the staff have to do a lot of hands on things since some folks are unfamiliar with the use of computers. Mr. Shaw stressed to the Mayor and Council the need for continued funding. He explained to the group about the Maintenance of Effort Agreement they have to have with the state. He said anytime there is a reduction or cut in funding the state will reduce or cut the Library's funding. He stated if the budget is reduced they will have no choice but to submit a waiver of Maintenance of Effort to the state. He explained the process that has to take place because of a reduction in funding. He informed the City Officials regarding the documentation they would have to submit to justify the reduction in funding. Mr. Shaw asked the Mayor and Council to reconsider the budget reduction and he appealed to their better judgment on this decision. Mayor Harper asked when the City increased their donation to the Library did the State follow suit with an increase. Mr. Shaw responded no that unfortunately they don't consider this. He told the group he did not know what kind of impact the reduction would have since they would also lose federal funding as well. He commented this would have a domino affect. He told the group that he understands the difficulty of the constraints on the City now however the Library is one of our greatest assets. Alderman Perryman remarked that a \$200.00 reduction could actually become a \$1,000.00. Mr. Shaw explained that it could. Alderman Perryman discussed the increase in Patron Registration. Mrs. Clayton elaborated on the increase in the registration. Alderman Turner asked if it is necessary that the City make a decision now. Mrs. Clayton responded yes. There was a discussion on the Budget Public Hearing on Tuesday evening. Alderman Turner told the group that he had supported every increase but this particular decision has been the worse for him to make. He remarked that he would sure favor an increase at a later date if we could slide it in. Mrs. Clayton stated if the City could maintain the current funding it would certainly help. Alderman Stalnaker told the group we could install it now but reduce it later if we ran short. He added that he would like to proceed with this now. He talked about there being some cut back with an employee retiring and working part time. Alderman Stalnaker also talked about the huge affect it would have on the city should the library lose funding. He

added if we can't find the funding to keep the donation at its current amount then he would not be opposed to cutting his pay by 5%. Mrs. Clayton explained how the local funding is used. Alderman Stalnaker commented that there is too much at stake to cut the funding. Mrs. Clayton informed the group that they had over 4,000 to come through the library in the month of June. She stated they averaged 150 per day which has increased over the last few months. Mandy Luke questioned if part of this number involved the reading programs for the children. Mrs. Clayton told the group there had been 1,693 hits on the computer. She added that some of these were of course children who might have played games. She added they have seen an increase in the use of the computers by adults since the economy has been bad. Ms. Zeiger informed the group that Mrs. Clayton is a good manager and that the library is growing. Alderman Perryman was impressed regarding the 112 Library cards being issued during the month of June. Ms. Zeiger commented if they had more staff they could offer more services. She added at the present time they do not have enough. She stated that out of the five counties, Berrien County is growing very fast and they cannot meet the numbers. It was stated that more children come through here than in Tift County. Mrs. Clayton told the group that a lot of city people come in to use the Library. She informed the group that the Library's Fiscal Year began July 1st. Following some discussion Alderman Richbourg remarked that the general consensus of the group is to leave the donation the same for the present time. The group then thanked the Mayor and Council.

**2. COASTAL ENGINEERING UPDATE ON FUNDING – JOHN HUNKELE** Mr. Hunkele began by stating that at the last Council Meeting they had discussed various funding options for the wastewater treatment project. He said there are a lot of unanswered questions. Mr. Hunkele discussed with the group about the GEFA loan with the 3.81% rate for 20 years with a 1% closing cost. He told the group that with the GEFA loan we could get funding in 8 to 10 weeks. He stated that everything has been done and we could file the application tomorrow if necessary. He said if acted on the City could get the money in September. Mr. Hunkele talked with the group about the Consent Order. He stated construction could be started on Phase I of the project. He informed the group that he already has the request for the application with USDA for 2.75%, forty (40) year loan. He noted that the down side to this one is that a Public Notice has to be run for 60 days. The other down side being the additional documentation required for this. He stated that the Environmental Report is 70 pages under this program. He added that we couldn't get funding for a year and fines could be incurred because of the time frame imposed by the Consent Order. Mr. Hunkele discussed with the group concerning better bidding from contractors because of the economic storm. It was pointed out that if the City went with USDA for 20 years at 2.75% it would be cheaper. There was some discussion on the comparison of the different rate structures and the length of loans from GEFA and USDA. Alderman Richbourg pointed out that in comparing USDA at 2.75% for 20 year loan length and the 1% at the end with GEFA with the 3.00% for 20 years with 2% at the end, the difference is about \$900,000.00. He asked Mr. Hunkele how long would it take in getting the GEFA 3% loan. Mr. Hunkele responded that we would still be behind with the Consent Order date. Alderman Turner asked if we had it approved prior to the date would it help with the Consent Order. Mr. Hunkele explained that it would. Alderman Richbourg

asked about the Stimulus money and the being shovel ready projects. Mr. Hunkele responded that the City is still on the Comprehensive List, but way done on the list. Alderman Richbourg commented that if the City went with the GEFA loan it could be one and half million dollars cheaper. There was some discussion regarding the Stimulus money and the Comprehensive list. Mayor Harper also discussed the possibility of getting Stimulus money even if we had already started with the project. Mr. Hunkele emphasized that time is critical with this project due to the Consent Order from EPD. Alderman Perryman discussed with the group that the 3.81% rate would be quadrupled as compared to the other rates. He talked about the \$600,000 payment in comparison which would create \$138,000 more. Mr. Hunkele remarked that we are not comparing apples to apples here. Alderman Richbourg stated he doesn't think the 3.81% is a bad rate. Alderman Perryman again expressed his concern about the big difference. There was some discussion about the City's eligibility for the One Georgia monies. In the discussion it was noted that to be eligible 6,000 gallons would have to be increased by 1.5% of the medium income. Alderman Perryman told the group we are looking at combining two loans into one which would be \$225,000 a year with 40 years versus 20 years. He stated he concern is having to meet higher payments and getting ourselves into a situation. Alderman Richbourg mentioned that Bill Powell of Georgia Rural Water had came and told us what our rates should be in order to make the loan payment. Ms. Luke reminded the group that we did not implement the rates he had recommended. Mr. Hunkele stated the rates are based on the GEFA loan. There was come discussion about seeing better prices now with the contractors due to the economy and people out of work. Mr. Hunkele stated that the city may be able to qualify for One Georgia money. He then explained to the group how the One Georgia process works. Alderman Turned requested that he find out some more information on these funds. Mr. Hunkele responded he would out if the City is qualified to receive these funds. Alderman Richbourg reiterated that time is of the essence and that the City needs to make a decision on which way to go. Mr. Hunkele told the group we are ready to apply for the GEFA loan. Alderman Richbourg asked if approved for the GEFA loan do we have to take it. Mr. Hunkele responded no. There was come discussion about the fine that EPD could impose if the Consent Order is not adhered to. Some said the fine could be as high as \$50,000 per day. Consensus of the group was that they didn't think EPD would actually assess that big of a fine on a small city. Alderman Perryman reiterated his concern about getting ourselves in a situation where we are unable to make payments. He added the rate schedule we got won't pay the payment. Ms. Luke reiterated that the City didn't increase the rates as recommended by Georgia Rural Water. She explained that it would be within ninety days before we started the 2nd phase. She also explained that we haven't got the debt service fee on the system yet because we are in the process of installing our new program. Alderman Richbourg asked if the City could apply for both loans. Mr. Hunkele responded he doesn't know why not. Alderman Richbourg talked about being able to start the project sooner with the GEFA loan. In a discussion regarding the terms of the USDA loan, Alderman Perryman asked Mr. Hunkele if he was not in favor of USDA. Mr. Hunkele responded that his concern is if the City doesn't pay it off in a certain time we will have pay \$5,000,000.00. He added the City of Nashville doesn't qualify for a grant for this project. Mayor Harper remarked that what the City is thinking is that with USDA if we get the 40 year loan and pay it off in 20 years, we

would only be paying \$50,000 more. He added that we need to get something going. Attorney Moore commented that he has great confidence in Pete Maye in that he can negotiate with EPD on the Consent Order. He also commented about the difference in the pay out. Alderman Richbourg asked if approved for the loan how long would it be good for. Mr. Hunkele responded he doesn't know. He explained to the group about a financial restructuring program should the City fall on hard times. Alderman Richbourg made a motion seconded by Alderman Stalnaker to apply for the GEFA loan for \$6.4 million for 20 years at 3.81% with a 1% closing cost and to revisit it. The motion also included to proceed with the advertising for the USDA loan for the same amount with a 2.75% interest rate for 20 years with a 1% at the end. Alderman Perryman wanted clarification that the proposal is to apply for the GEFA loan and revisit it. Alderman Richbourg responded that the City could proceed with running the ad for USDA (which has to run for 60 days) and once the loan applications come back approved we could come back and vote on choosing which one we want to go with. He added at least we can get the application process going. Alderman Turner stated he thinks it will be better for us to wait until we talk to Pete Maye. Mr. Hunkele commented that Mr. Maye would favor the GEFA loan. Mayor Harper told the group that we need to get the ball rolling on this. Following these remarks the motion was carried unanimously.

## REPORTS

3. CITY MANAGER/FINANCE DIRECTOR'S REPORT – Ms. Luke stated she had nothing to report.

4 CITY ATTORNEY'S REPORT Attorney Moore commented on the new fines for the Police Department that the Chief had introduced at the last Council Meeting. He stated that at some point we need for the Council to ratify this and run a notice regarding them.

He informed the group that he has re-worked the Griffin Waste contract. He discussed briefly the addition made to the contract. He told the group that he e-mailed Kevin Griffin the revised one but as of this date he has not heard back from him.

He noted that a correction needs to be made in the main minutes under the City Attorney Report section where it was stated that "The motion passed with Alderman Retterbush abstaining from the vote due to he is involved with the testing of the wells. He said this statement is in error since Alderman Retterbush has nothing to do with the testing. He stated that Alderman Retterbush was disclosing the fact that he is an employee with RSI.

## 5. DEPARTMENT HEADS' REPORT

Dawn Morrison, Better Hometown Director, informed the group that the 7 and 8 years old baseball team has won the State Championship. She added that the 13 and 14 years old had won as well. She told the group that the County Commissioners are going to recognize them. She informed the group that a parade is being planned for the first Thursday, August 6th, in recognition of all athletes.

She informed the group that a new business named Mike's Upholstery Shop has opened up next to the Berrien Press. She listed the various types of services he offers. She encouraged support of this new business.

Ms. Morrison told the group she has some good news and some bad news. The good news is that Val-Tech is coming to Nashville. The bad news is that they aren't going to be located downtown. They will be located at the old Primary School. She stated they will be coming in September or October. She told the group that she has checked with the architect and the cost of redoing the building on the square would be \$700,000. She said with them going to locate at the Primary School the cost would be minimal.

She informed the group that she hasn't heard anything on the parking lot project located next to Pearl's.

She informed the group that she had received her "Dear John" letter from Ms. Luke regarding the budget cut for Better Hometown. She told the group that she is scheduled to work 20 hours a week but puts in 30 hours. She said her pay was cut when she came back to work with Better Hometown. She added that with the proposed cut she doesn't know if it will pay her taxes and wages. She informed the group that there are three businesses downtown that are teetering on closing. She said she has not informed her board of the letter, but she knows they will want to come and talk to the Mayor and Council at the next meeting. She informed the group that her salary does not make up the total donation.

#### PUBLIC COMMENTS/GENERAL COMMENTS FROM COUNCIL

Alderman Turner informed the group that the Southeast Georgia RDC has been gobbled up by South Georgia RDC of which John Leonard will be the Executive Director. He also informed the group that Lace Futch will be retiring in the near future.

Alderman Turner also informed the group that he has been receiving complaints about the wheelchairs not being in compliance with the Ordinance from individuals who operate Golf Carts. He said this is dangerous. He added he doesn't know if the Wheelchair operators have been notified about the requirements under the new Ordinance.

Alderman Richbourg pointed out that if the City paid \$19.3 million on the USDA loan over 40 years @ 2.75% we would be saving a little over \$3 million with the GEFA loan of \$15.9 million @ 3.81% for 20 years.

Alderman Perryman expressed thanks to Ms. Dawn Morrison for the program she put on Sunday afternoon.

#### EXECUTIVE SESSION

Alderman Turner made a motion seconded by Alderman Stalnaker to go into executive session at 7:19 p.m. Motion was carried unanimously.

Alderman Turner made a motion seconded by Alderman Richbourg to come out of executive session at 7:30 p.m. Motion was carried unanimously.

REGULAR SESSION RECONVENED

ADJOURNMENT: There being no further business to discuss, Alderman Turner made a motion seconded by Alderman Richbourg to adjourn. Meeting was adjourned at 7:30 p.m.

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Mayor Travis Harper

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Alderman Michael Richbourg

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Alderman Darrin Davis

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Alderman Dick Perryman

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Alderman Billy Retterbush

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Alderman Scott Stalnaker

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Alderman Bill Turner

ATTEST:

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Johnny Hall, City Clerk