City of Pelham

City Council Work Session
August 16, 2010

MINUTES

Members of the Pelham City Council met on August 16, 2010 at 6 p.m. The work session was held in the conference room of Pelham City Hall and was open to the public.

The following elected officials were present:

Mayor Don Murphy
Council President Mike Dickens
Councilmember Teresa Nichols
Councilmember Bill Meadows
Councilmember Steve Powell
Councilmember Karyl Rice

Media Present: Neal Wagner, Shelby County Reporter

Others present: Tom Seale, Eddy Jowers, Butch Byrd, Gary Waters, Mike Morgan, Jesse Jowers, Roy Lambert, Pete Folmar, Jerry Nolen, Billy Crandall, Marsha Yates, Jay Roberson, Lynn Roberson, Robin Wilkerson, Eva Shepherd, Chief Danny Ray, Chief Tommy Thomas, Carolyn Mitchell, Mike Roberts, Vince Contone, Scott Bottchen and other city employees and members of the public.

The council work session was called to order by Council President Mike Dickens at 6 p.m.

Approval of Minutes

A motion was made by Councilmember Teresa Nichols to approve the August 2, 2010 work session minutes. The motion was seconded by Councilmember Bill Meadows and by voice vote the motion passed unanimously by all members present.

Approval of Minutes

A motion was made by Councilmember Steve Powell to approve the August 6, 2010 special work session minutes. The motion was seconded by Councilmember Meadows and by voice vote the motion passed unanimously by all members present.

Mayor's Comments

Mayor Murphy elected to hold his comments until council meeting.

Review of Council Agenda

Old Business

Ordinance 135-193 Rezoning property located on Oak Mountain Park Road from A-1 Agricultural District to E-1 Estate Residential District. Applicant: Jimmy Humphries. There were no comments by the council.

New Business

Resolution 2010-08-16-01 Authorizing the implementation of certain recommendations of the City of Pelham's Comprehensive Salary Study. Dr. Nichols questioned the current employees position in the Mercer scale. Mrs. Rice explained the resolution for the FY2011 budget. The Mercer salary recommendations will move forward with further discussions.

Resolution 2010-08-16-02 Application for ABC license 140 – Special Events Retail license for applicant Greater Shelby County Chamber of Commerce, 1301 County Services Building, Pelham, Alabama 35124. Event Location: Heart of Dixie Harley Davidson, 333 Cahaba Valley Parkway, Pelham, AL 35124. Event Name: Taste of Shelby County. There were no comments by the council.

Resolution 2010-08-16-03 Authorizing additional payments for construction and improvements for the Oak Mountain Bridge and Bike Trail Project. Mr. Meadows questioned whether it was necessary to suspend the rules to pass the resolution. Mr. Dickens said it was not necessary.

Resolution 2010-08-16-04 Revision of Resolution 2009-08-03-04 regarding the full time positions and commissions to be paid to the Pelham Civic Complex Executive Chef and Catering Director. Dr. Nichols questioned the change from 3% gross to 10% net on the commissions. Eva Shepherd, Marketing Director, explained the reasoning behind the recommendations: (1) to make food and beverage services at the Civic Complex more profitable, and (2) to put into place an incentive plan for the executive chef and catering director. Mrs. Rice questioned how the mark-up on food and beverage costs is determined. Executive Chef Jay Roberson answered Mrs. Rice's question. Dr. Nichols expressed concerns why the commission was being changed after only one year. Mr. Powell stated if the executive chef and catering director approved he had no problem with the change. Mr. Meadows said the salary hit the Mercer guidelines.

Resolution 2010-08-16-05 Application for ABC license for 050-Retail Beer (Off Premises Only) license and a 070–Retail Table Wine (Off Premises Only) license for applicant FNA Investments LLC operating under the trade name Pelham Exxon Food Mart, located at 1286 Highway 52 East, Pelham, Alabama 35124. There were no comments by the council.

Resolution 2010-08-16-06 Accepting the low bid of $ 26,268.72 from Loader Services for a Bobcat 425MX Excavator for the Public Works Department. Mr. Meadows asked Public Works Director Eddy Jowers if the excavator was new or used. Mr. Jowers stated the equipment was new and would eliminate the need to borrow the Water Department's excavator and the need to drive a backhoe all over the city. Mr. Meadows asked Mr. Jowers if a used excavator was considered. Mr. Jowers stated no, a used excavator was not considered.

Resolution 2010-08-16-07 Authorizing the execution of a contract and funding of United Way's "Success by Six Pelham Initiative" program in the FY2011 budget in an amount not to exceed $ 250,000.00. (1st Reading) Dr. Nichols announced a public forum would be held at the Pelham Civic Complex on Monday, August 23, 2010 at 7 p.m. The forum would be moderated by Council President Mike Dickens. The council is seeking public input regarding the Success by Six program the council is considering funding in FY2011. Dr. Nichols stated a brief presentation would be made prior to seeking the public's comments. Mr. Powell stated his concerns about a $ 250,000 commitment in FY2011 and additional funding in the future. It was Mr. Powell's opinion cash reserves should be used to maintain essential services in a down economy, not start new programs. He urged the council to carefully review the United Way proposal. Mr. Powell pointed out the proposal called for a new Pelham Library employee and a new United Way employee. Mr. Powell further stated he supports the Success by Six concept, but now is not the time to implement this program.

Ordinance 444 Authorizing the issuance of City Of Pelham $4,920,000 General Obligation Sewer Warrant, Series 2010-A-CWSRF-BL in order to refund its General Obligation Sewer Warrant, dated January 27, 1998 in the principal amount of $9,065,000, which is currently outstanding in the principal amount of $4,920,000, to the Alabama Water Pollution Control Authority. NOTE: There is no additional borrowing and the original maturity date is unchanged. The interest is reduced from 3.75% to 2.57%. There is no cost to the city in the refunding. (1st Reading - Unanimous consent to suspend the rules will be required to consider Ordinance 444). There were no comments by the council.

Ordinance 445 Authorizing the issuance of City Of Pelham $ 7,045,000 General Obligation Sewer Warrant, Series 2010-B-CWSRF-BL in order to refund its General Obligation Sewer Warrant, dated December 23, 1998 in the principal amount of $ 13,130,000, which is currently outstanding in the principal amount of $7,045,000, to the Alabama Water Pollution Control Authority. NOTE: There is no additional borrowing and the original maturity date is unchanged. The interest is reduced from 3.50% to 2.57%. There is no cost to the city in the refunding. (1st Reading - Unanimous consent to suspend the rules will be required to consider Ordinance 445). There were no comments by the council.

Resolution 2010-08-16-08 (Not on the Agenda) Authorizing improvements to the Pelham parks from a Land and Water Conservation Fund grant funded through the Alabama Department of Economic and Community Affairs for the construction and improvements to various parks within the city. Mr. Meadows explained the grant and the funding process. Parks and Recreation Director Billy Crandall explained the added features being considered for the parks that would be purchased with the additional grant money. Mr. Crandall said the rock misting fans, picnic tables and trash receptacles would be an asset to the park and he was ready to move forward with the improvements. Dr. Nichols moved to add Resolution 2010-08-16-08 to the August 16, 2010 council agenda. Mr. Powell seconded the motion and by voice vote the motion passed unanimously by those members present. Resolution 2010-08-16-08 was added to the council agenda.

Resolution 2010-08-16-09 (Not on the Agenda) Findings and determination by the Pelham City Council that the Royal Chase Sewer Lift Station is private and the responsibility of the developer and/or homeowners. Mr. Dickens read correspondence from City Attorney Butch Ellis recommending adoption of the resolution based upon the following:

1. There is an apparent state of confusion among certain of the home owners in Royal Chase concerning the ownership and/or responsibility for the operation and maintenance of the sewer pump station on Chase Drive.

2. H. Walker and Associates, Inc., in several letters, and certain residents of Royal Chase have advised the City in writing that they "understood that the City of Pelham took over the operation and maintenance . . . of the pump station in 2008."

3. The City Council has instituted an investigation into the issues, including discussions with former Mayor Bobby Hayes and former Public Works Director Ken Holler, and has been advised that the City has never taken over ownership or legal responsibility for the ongoing maintenance and operation of the pump station, and that the intervention by the City of Pelham in 2008 was on a "one-time" basis in order to remedy an unhealthy and potentially dangerous situation existing in a private sewer facility."

4. All records available to the City Council establish that the pump station is not owned by the City of Pelham nor has the City assumed any ongoing responsibility therefore.

5. That in order to establish with certainty the responsibility for ongoing maintenance and operation of the pump station, the City Council needs to resolve any confusion and/or doubt which might exist on the part of the developer and/or the residents of Royal Chase concerning these issues going forward.

6. It would not be advisable to wait until there has been some catastrophic failure to go on record concerning the City's position relative to the pump station.

Mr. Meadows moved to add Resolution 2010-08-16-09 to the August 16, 2010 council agenda. Mrs. Rice seconded the motion and by voice vote the motion passed unanimously by those members present. Resolution 2010-08-16-09 was added to the council agenda.

Dr. Nichols requested Ordinance 247-4 (Retiree Health Benefits) be placed on the September 13, 2010 council work session agenda.

<u>Adjournment</u>

Mr. Meadows moved to adjourn the work session and said motion was seconded by Mr. Powell. The motion passed unanimously by those present and the work session was adjourned at 6:55 p.m.

Respectfully submitted,

Seal

Tom Seale, Finance Director/City Clerk