CITY OF PELHAM

Council Work Session
Pelham City Hall - Council Conference Room
March 7, 2011 – 6 p.m.

MINUTES

Members of the Pelham City Council met on March 7, 2011 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 Bill Meadows
Councilmember Teresa Nichols
Councilmember Steve Powell
Councilmember Karyl Rice

Media Present: Neal Wagner, Shelby County Reporter

Others present: City department heads, city employees and members of the public.

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

<u>Approval of Minutes</u>

A motion was made by Mr. Meadows to approve the February 21, 2011 work session minutes. The motion was seconded by Dr. Nichols and by voice vote the motion passed unanimously by all members present.

<u>Mayor's Comments</u>

Mayor Murphy elected to hold his comments until council meeting.

<u>Review of Council Agenda</u>

Mr. Dickens reviewed the council agenda for March 7, 2011.

A. Call to Order

B. Invocation

C. Pledge of Allegiance

D. Roll Call

(A consent agenda is presented by the Council President at the beginning of a council meeting. Items presented on the consent agenda are considered routine and non-controversial and are organized apart from the rest of the agenda and is adopted by general consent without debate. Items may be removed from the consent agenda on the request of any one member. Removed items may be taken up either immediately after the consent agenda is approved or placed later on the agenda at the discretion of the Council President and City Council.)

1. Approval of March 7, 2011 City Council Agenda.

2. Approval of the February 21, 2011 regular City Council meeting minutes.

3. Approval of the following non-budgeted expenses from restricted fund accounts:

   a. 7 Cent Gasoline Tax Account – Current Balance $ 10,446.36

      1. Dunn Construction Company $ 932.22 (Street Dept. – Rock)
      2. Dunn Construction Company $ 664.24 (Street Dept. – Rock)

E. Public Hearing – None

F. Mayor's Comments

G. Proclamations

1. Proclaiming March 11, 2011 as "Pelham Panther Pee Wee Hockey Day"

2. Proclaiming March 20-26, 2011 as "National Safe Place Week"

3. Proclaiming March 2011 as "Developmental Disabilities Awareness Month"

H. Requests to Address the Council

1. David Fielding, Oaklyn Hills HOA President – Donation on lots for a neighborhood park and how to address finishing the sidewalks in the subdivision. Mayor Murphy discussed the donation of a lot by the original developer. Mr. Fielding will be asking the city to fulfill the commitment by donating a lot. Mayor Murphy said he endorses the plan.

I. Old Business

1. **Ordinance 247-5** amending health insurance benefits for retired employees and their surviving spouses.

   Human Resources Director Jerry Nolen addressed the council regarding the changes recommended by the State Insurance Board. Mr. Powell stated he had received the information and had discussed it with Janis Parks. Those changes are reflected in the Ordinance before the council. Mr. Nolen stated he hand delivered the proposed ordinance to Teresa Scroggins with the State Insurance Board in Montgomery. Mr. Powell stated definitions were struck and surviving spouse was changed to surviving dependent in the proposed ordinance. Mr. Powell reviewed the changes with the council and distributed the updated revisions of the Ordinance. He noted the date of new hires employment was changed from March 1, 2011 to April 1, 2011. Clarity was also a part of the changes to the Ordinance. Dr. Nichols asked for clarification for a retiree taking gainful employment with another employer and having to take their health insurance. Mr. Meadows questioned GASB 45 requirements and the city's liabilities. Mr. Powell noted the proposed ordinance also removes the income cap for retirees.

J. New Business

1. **Resolution 2011-03-07-01** supporting House Bill 11 in the 2011 regular session of the Alabama Legislature providing for an additional method of annexation. There were no comments from the Council.

2. **Resolution 2011-03-07-02** Consideration of an ABC license 050-Retail Beer, (Off Premises Only) and 070-Retail Table Wine (Off Premises Only) for applicant NV Enterprises, Inc. operating under the trade name Vic's Quick Stop 3, located at 2310 Highway 31 South, Pelham, Alabama. The police noted the charges against the applicant had been dismissed. There were no further comments from the Council.

3. **Resolution 2011-03-07-03** Consideration of an ABC license 050-Retail Beer, (Off Premises Only) and 070-Retail Table Wine (Off Premises Only) for applicant BK LLC, operating under the trade name Pelham Convenience, located at 1908 Highway 31 South, Pelham, Alabama. There were no comments from the Council.

4. **Resolution 2011-03-07-04** Consideration of an ABC license 050-Retail Beer, (Off Premises Only) and 070-Retail Table Wine (Off Premises Only) for applicant OM, Inc. operating under the trade name Shell 119, located at 560 Cahaba Valley Road, Pelham, Alabama. There were no comments from the Council.

5. **Resolution 2011-03-07-05** declaring the City's Intent for Reimbursement of costs associated with the purchase of real estate, the design, acquisition, construction and installation of various park and recreation capital improvements and certain other municipal capital improvements. **(1st Reading)** Mr. Powell asked for an explanation of the resolution from the city clerk. City Clerk Tom Seale explained if the council was to acquire the property under discussion the passage of this resolution would allow the expenses incurred to be reimbursed through a bond issue. There were no further comments from the Council.

6. **Resolution 2011-03-07-06** authorizing the purchase of real property plus closing costs for park and recreation improvements. Requirements for closing include, but are not limited to, a satisfactory survey, appraisal and title insurance. **(1st Reading)** There were no comments from the Council.

7. **Resolution 2011-03-07-07** authorizing the purchase of real property plus closing costs for park and recreation improvements. Requirements for closing include, but are not limited to, a satisfactory survey, appraisal and title insurance. **(1st Reading)** Mr. Powell stated he had a great deal of concerns regarding the land purchases and would hold his comments until council meeting.

8. **Resolution 2011-03-07-08** approval of City Park Sidewalk Project contract revision with Gallet & Associates, Inc. in an additional amount of $ 5,780.45 due to contract overruns. The revised amount is subject to 100% of federal American Recovery and Reinvestment Act (ARRA) funding. **(1st Reading)** Mr. Powell questioned City Engineer Jesse Jowers about the increase in engineering expenses. Mr. Jowers stated unavoidable delays have resulted in the additional expenses, which are 100% reimbursable through the grant. Mr. Meadows further questioned Mr. Jowers regarding the additional expenses by the engineering firm. Mr. Powell stated he understood the factors causing the costs overruns. There were no further comments from the Council.

9. **Resolution 2011-03-07-09** approval of agreement between the City of Pelham and the Alabama Department of Transportation (ALDOT) for the City Park Landscaping Project in the amount of $ 70,000. Grant is an 80/20 match with the City of Pelham's portion being $ 14,000 which was included in the FY2011 Administration budget. Dr. Nichols asked Mayor Murphy about the park landscaping timeline. Mayor Murphy stated the work should begin in the spring.

10. **Ordinance 446** Annexation request by Thomas Harlan Floyd, 7050 Highway 11, Pelham, AL 35124. **(1st Reading)** Mr. Floyd is scheduled to attend. Mr. Powell stated he will request the council suspend the rule for immediate consideration of the ordinance, which has been the custom of the council in the past.

<u>Old Business</u> – AS TIME PERMITS

New Business – AS TIME PERMITS

1. State Employees Insurance Board (Jerry Nolen)

2. Sewer Rates (Councilmember Meadows)

   Mr. Meadows, responding to an e-mail he received from a resident, distributed information to the council regarding sewer rates throughout Alabama. He explained the current rates adopted by the council in December 2009 included an increase spread over a period of two years. Mr. Meadows suggested an increase in sales tax to fund the sewer system and other options, including general fund monies and reserves. He questioned whether the city had done everything possible to provide reasonable sewer rates to our customers. Mr. Dickens asked Mr. Meadows to explain his graph as it was related to sewer rates. Public Works Director Eddy Jowers stated employee expenses in the Sewer Department were over $ 500,000 per year. Mr. Jowers further stated they have been proactive with their sewer consultants in order to reduce costs. Mr. Jowers said 53% of the Sewer budget is debt service. The sewer rate study completed last year was calculated to cover debt service, operation and maintenance and expected future expenses over a five year period. Finance Director Tom Seale explained the refinance of the sewer debt service last July saved approximately $ 800,000 over a period of nine years. Mayor Murphy explained the issues with Cahaba River watershed and the ADEM requirements. Mr. Dickens said comparsions of sewer rates between other cities are very difficult due to the many variables involved. Mr. Meadows asked several questions regarding the Water/Sewer Board.

Mr. Dickens thanked Shelby County Reporter staff member Neal Wagner for his professional comments regarding Pelham's proposed tobacco ordinance.

Announcements

Adjournment

Mr. Powell moved to adjourn the work session and said motion was seconded by Mr. Meadows. The motion passed unanimously by those present and the work session was adjourned at 6:59 p.m.

Respectfully submitted,

CITY OF PELHAM CITY [SEAL] SEAL ALABAMA

Tom Seale, Finance Director/City Clerk