

**STATE OF TENNESSEE
COUNTY OF HAMBLEN
CORPORATION OF MORRISTOWN
DECEMBER 21, 2010**

The City Council for the City of Morristown, Hamblen County, Tennessee, met in regular session at the regular meeting place of the Council in the Morristown City Center at 4:00 p.m., Tuesday, December 21, 2010 with Honorable Mayor Barbara C. "Sami" Barile, presiding and the following named Council-members present: Gene Brooks, Bob Garrett, Claude Jinks, Frank McGuffin, William Rooney and Kay Senter.

Councilmember Jinks made a motion to approve the December 7, 2010 minutes as circulated; Councilmember Rooney seconded the motion and all voted "aye".

A public hearing was conducted on the following captioned Ordinance No. 3407. Councilmember McGuffin made a motion to adopt said Ordinance on second and final reading; Councilmember Garrett seconded the motion and upon roll call, Councilmembers Brooks, Garrett, McGuffin, Rooney, Senter and Mayor Barile voted "aye"; Councilmember Jinks voted "no".

**Ordinance No. 3407
Entitled an Ordinance to amend the Morristown
Municipal Code Title 14, Chapter 2 - Zoning Ordinance
(Chapter 29, Signs) by deleting said chapter in its
entirety and substituting therefore a new Chapter 29,
Signs.**

A public hearing was conducted on the following captioned Ordinance No. 3408. Councilmember Rooney made a motion to adopt said Ordinance on second and final reading; Councilmember Jinks seconded the motion and upon roll call, all voted "aye".

**ORDINANCE NO. 3408
AN ORDINANCE TO ADOPT A CORRECTIVE ACTION
PLAN FOR AN INTERFUND TRANSFER AND TO SEEK
APPROVAL FOR THE PLAN FROM THE STATE
COMPTROLLER.**

Councilmember Rooney made a motion to approve the engineering agreement with Wilbur Smith Associates for Veterans parkway, Phase II, in the amount of \$177,500. Councilmember Senter seconded the motion and upon roll Councilmembers Garrett, McGuffin, Rooney, Senter and Mayor Barile voted "aye"; Councilmembers Brooks and Jinks voted "no".

Councilmember Senter made a motion to approve the following Resolution No. 31-10 and accept the contribution of \$777,385. Councilmember Jinks seconded the motion and upon roll call, all voted "aye".

**Resolution No. 31-10
A Resolution Directing Payment of Tax
Equivalent for In Lieu of Taxes by the
Morristown Utility Commission.**

WHEREAS, Chapter 84, Public Acts of 1987, Tennessee Code Annotated, empowers the City Council to be paid revenues in lieu of taxes by The Morristown Utility Commission; and

WHEREAS, necessary data have been supplied by The Morristown Utility Commission and calculations of tax equivalents payable have been made in accordance with the provisions of Chapter 84, Public Acts of 1987, and other relevant contracts between the taxing jurisdictions;

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of the City of Morristown, Tennessee, that The Morristown Utility Commission is hereby directed to pay the following amounts of tax equivalents to the respective taxing jurisdictions for the fiscal year beginning July 1, 2010 and ending June 30, 2011.

<u>Jurisdiction</u>	<u>Amount</u>
City of Morristown	\$ 777,385.00 (77.5%)
Hamblen County	\$ <u>225,693.00</u> (22.5%)
Total In-Lieu Tax Payable	<u>\$1,003,078.00</u>

ADOPTED this 21st day December 2010.

Mayor

ATTEST:

City Administrator

Councilmember Rooney made a motion to approve the following Resolution No. 32-10. Councilmember Senter seconded the motion and upon roll call, all voted "aye".

RESOLUTION NO. 32-10

A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR AND CITY ATTORNEY TO RENEGOTIATE THE TERMS OF THAT CERTAIN ASSET PURCHASE AGREEMENT DATED AS OF FEBRUARY 23, 2009, AS AMENDED, BETWEEN THE CITY OF MORRISTOWN, TENNESSEE AND MPLG, LLC AND TO PRESENT THE RESULTS OF SUCH RENEGOTIATION TO CITY COUNCIL.

WHEREAS, the prior City Administrator of the City of Morristown (the "City") has executed an Asset Purchase Agreement dated as of February 23, 2009 (the "Agreement"), which, as amended, is between the City and MPLG, LLC ("MPLG");

WHEREAS, the Director of Local Finance for the State of Tennessee has questioned the validity of the Agreement primarily because such Agreement has been determined by the City's accountants to create debt under accounting principles; and

WHEREAS, citizens of the City and members of this Council have also expressed concerns regarding the validity and terms of the Agreement.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morristown, Tennessee (the "City Council"), that the City Administrator and City Attorney are hereby authorized to meet with representatives of MPLG to attempt to renegotiate the terms of the Asset Purchase Agreement and to present the results of such attempted renegotiations to the City Council. The City Attorney is authorized to engage the City's bond counsel, to the extent deemed appropriate by the City Attorney, in such negotiations. Any renegotiated agreement shall be

subject to approval by the City Council.

Adopted this 21st day of December 2010.

Mayor

ATTEST:

City Administrator

Councilmember Jinks made a motion to adopt the following captioned Ordinance No. 3393.11 on first reading and schedule a public hearing relative to final passage of said Ordinance for January 4, 2011. Councilmember Rooney seconded the motion and upon roll call, all voted "aye".

**Ordinance No. 3393.11
An Ordinance to amend Ordinance No. 3393 – FY 2011
Budget by appropriating the sum of \$97,434 for the
2010 COPS Hiring Program Grant.**

Councilmember Brooks made a motion to approve Mark Sawyer's request to operate a landfill at the Lowland Industrial Complex (old Enka/BASF/Liberty Fibers location). The motion died for lack of a second. Councilmember Brooks made an alternate motion to approve or disapprove Mark Sawyer's request to operate a landfill at the Lowland Industrial Complex (old Enka/BASF/Liberty Fibers location). Councilmember Senter seconded the motion. Mr. Sawyer withdrew his application before the vote was taken.

Councilmember Rooney made a motion to open the agenda and add an item relative to the Christmas holidays. Councilmember Garrett seconded the motion and all voted "aye".

Councilmember Jinks made a motion to give all City Employees an additional one-half day off for the Christmas holidays (beginning at noon Thursday, December 23rd). Councilmember Rooney seconded the motion and upon roll call, all voted "aye".

Councilmember Jinks made a motion to open the agenda and add an item relative to the settlement of a legal matter. Councilmember McGuffin seconded the motion and upon roll call, all voted "aye".

City Council recessed into an executive session to discuss the settlement.

Mayor Barile called the meeting back to order.

Councilmember Jinks made a motion to accept the proposed settlement in the Outdoor Elevation vs City of Morristown lawsuit. Councilmember Senter seconded the motion and upon roll call, all voted "aye".

Mayor Barile adjourned the December 21, 2010 City Council meeting.

Mayor

ATTEST:

City Administrator