

**STATE OF TENNESSEE
COUNTY OF HAMBLLEN
CORPORATION OF MORRISTOWN
JUNE 19, 2012**

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 5:00 p.m., Tuesday, June 19, 2012 with the Honorable Mayor Danny Thomas presiding and the following Councilmembers present: Bob Garrett, Chris Bivens, Kay Senter, Claude Jinks, Paul LeBel and Gene Brooks.

Don Lamb, Pastor Faith Baptist Church and Morristown Fire Department Chaplain, lead in the invocation and Councilmember Jinks led in the "Pledge of Allegiance".

Councilmember Jinks made a motion to approve the June 5, 2012 minutes as circulated. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

Councilmember Jinks made a motion to open the agenda. Councilmember Senter seconded the motion and upon roll call; all voted "aye".

Councilmember Brooks made a motion to amend the agenda to Remove the Rezoning of Property located at 2168, 2280 & 2606 West Andrew Johnson Highway (Masengill Springs) and add Resolution 17-12: A Resolution of the City of Morristown, Tennessee Authorizing Extension of the City's Contract with Veolia. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

Councilmember Senter made a motion to close the agenda. Councilmember Jinks seconded the motion and upon roll call; all voted "aye".

A Public Hearing was held on the following captioned Ordinance No. 3443. The following people spoke in regards to Ordinance Number 3443: Rev. Nigel Marlin Reid, Sr., Carl Murphy and Linda Noe.

Councilmember LeBel made a motion to approve Ordinance No. 3443 on second and final reading. Councilmember Jinks seconded the motion and upon roll call; Councilmembers Garrett, Bivens, Senter, Jinks and LeBel voted "aye"; Councilmember Brooks and Mayor Thomas voted "no".

Ordinance No. 3443

An Ordinance establishing Expenditure Appropriations for the Fiscal Year Beginning July 1, 2012 and Ending June 30, 2013 and Further Approving the City Administrator's Proposed Budget with such Modifications as Deemed Necessary or Desirable by the Morristown Tennessee City Council for the Fiscal Year 2012/2013.

A Public Hearing was held on the following captioned Ordinance No. 3444. The following people spoke in regards to Ordinance Number 3444: Rev. Nigel Marlin Reid Sr. and Linda Noe.

Councilmember Senter made a motion to approve Ordinance No. 3444 on second and final reading. Councilmember Jinks seconded the motion and upon roll call; all voted "aye".

Ordinance No. 3444

An Ordinance to fix the Rate for Ad Valorem Real and Personal Property Tax for the Tax Year of 2012.

Councilmember Senter made a motion to approve Resolution No. 18-12. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

Resolution No. 18-12

A Resolution Requesting the Mayor and City Council of the City of Morristown, Tennessee, to Establish a Maximum Speed Limit of 35 MPH on Liberty Hill Road, Morristown, TN.

Whereas, the Morristown Traffic Team met on January 31, 2012 and directed the Morristown Engineering and Police Departments to collect data and come back with findings and recommendations concerning the posted speed limit on a section of Liberty Hill Road located entirely in the City of Morristown;

Whereas, this 1.2 mile section of Liberty Hill Road is classified by the Tennessee Department of Transportation as an urban collector and is specifically located north of East Main Street and south of Buffalo Trail and has an existing posted maximum speed limit of 30 MPH;

Whereas, the City established Case #12-06 for Traffic Team discussions related to the posted speed limit on this section of roadway;

Whereas, the Morristown Police and Engineering Departments have collected traffic data and analyzed various factors used in determining maximum posted speed limits;

Whereas, collected traffic data suggests that the posted speed limit is 5 MPH under the 85th percentile with over 42% of traffic traveling over the existing posted speed limit of 30 MPH. A 35 MPH speed limit in this speed zone would have over 85% vehicle speed compliance, which is an accepted national engineering standard;

Whereas, 35 MPH would be a typical speed limit for streets with traffic classification of urban collector in and around the municipality;

Now Therefore, Be it Resolved by the City Council of the City of Morristown that the posted maximum speed limit of 35 MPH be established for this section of Liberty Hill Road, and that signs designating said speed limits be posted by the Morristown Public Works Department at appropriate locations.

Adopted on the 19th day of June, 2012.

Mayor

ATTEST:

City Administrator

Councilmember Brooks made a motion to approve Resolution 19-12. Councilmember LeBel seconded the motion and upon roll call; all voted "aye".

Resolution No. 19-12

A Resolution Authorizing the Disbursement to the ALPS, Boys & Girls Club, Inc., CEASE, Child Advocacy, Daily Bread, Girls, Inc., Helping Hands, KAB, MATS, M-H Child Care Centers, New Hope Recovery, Rose Center, Senior Citizens Center, Senior Citizens Home Assistance, Stepping Out, Youth Emergency Shelter, Boys & Girls Club Swim Team, Tennessee Achieves, Crockett Tavern and Diversity Task Force of those Funds Allocated to these Non-Profit Charitable and Civic Organizations in the City of Morristown's 2012/2013 Fiscal Year Budget.

WHEREAS, as a part of its annual budget process the City of Morristown allocates to be disbursed to deserving non-profit charitable and civic organizations; and,

WHEREAS, as a part of the City of Morristown’s budget adopted for the 2012/2013 fiscal year Two Hundred Fifty Six Thousand Seven Hundred Dollars (\$256,700) were allocated to be disbursed to the ALPS, Boys & Girls Club Inc., CEASE, Child Advocacy, Daily Bread, Girls Inc., Helping Hands, KAB, MATS, M-H Child Care Centers, New Hope Recovery, Rose Center, Senior Citizens Center, Senior Citizens Home Assistance, Stepping Out, Youth Emergency Shelter, Boys & Girls Club Swim Team, Tennessee Achieves, Crockett Tavern and Diversity Task Force; and,

WHEREAS, the City of Morristown in accordance with Tennessee Code Annotated 6-54-111 does hereby pass this Resolution authorizing the disbursement to these non-profit charitable and civic organizations of the funds appropriated and budgeted for their use and benefit in the City of Morristown’s 2012/2013 fiscal year budget; and,

WHEREAS, it is in the best interest and welfare of the citizens and residents of the City of Morristown that this Resolution shall be passed.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morristown, Tennessee, meeting in regular session on this the 19th day of June, 2012, with a lawful quorum of said Council being present and with a majority of said Council voting in the affirmative as follows:

1. That the Two Hundred Fifty Six Thousand Seven Hundred Dollars (\$256,700) appropriated and budgeted by the City of Morristown Council in its 2012/2013 fiscal year budget for the use and benefit of deserving non-profit charitable and civic organizations shall be disbursed and is authorized to be disbursed as follows:

ALPS	\$9,500.00
Boys & Girls Club	\$15,675.00
CEASE	\$16,625.00
Child Advocacy	\$950.00
Daily Bread	\$4,750.00
Girls Inc.	\$11,400.00
Helping Hands	\$7,125.00
KAB	\$19,950.00
MATS	\$16,625.00
M-H Child Care Centers	\$22,800.00
New Hope Recovery	\$4,750.00
Rose Center	\$11,875.00
Senior Citizens Center	\$47,500.00
Senior Citizens Home Assistance	\$4,750.00
Stepping Out	\$1,425.00
Youth Emergency Shelter	\$30,875.00
Boys & Girls Club Swim Team	\$10,000.00
Tennessee Achieves	\$5,000.00
Crockett Tavern	\$8,125.00
Diversity Task Force	\$7,000.00

2. This Resolution shall be effective from and after its adoption.

PASSED on the 19th day of June, 2012.

Mayor

ATTEST:

City Administrator/Recorder

Councilmember LeBel made a motion to approve Resolution 20-12. Councilmember Jinks seconded the motion and upon roll call; all voted “aye”.

Resolution No. 20-12

A Resolution of the Mayor and City Council of the City of Morristown, Tennessee, to extend the right of reverter contained in its deed to D4 for an additional period of one year, or until June 27, 2013.

WHEREAS, D4 CAPITAL HOLDINGS, LLC (“D4”) and FREEDOM ENERGY DIESEL LLC (“FED”) propose to build a closed loop coal gasification facility in the East Tennessee Progress Center with an estimated investment in excess of \$400 million and creating over 500 jobs (the “Project”); and

WHEREAS, the CITY OF MORRISTOWN (the “City”) has heretofore executed a deed to D4 for 116 acres in the East Tennessee Progress Center, a large part of the consideration for this conveyance being the development of the Project; and

WHEREAS, the deed to D4 contains a provision that should D4 in good faith not have begun construction of improvements as approved by The Industrial Development Board of the City of Morristown, Tennessee, excluding grading and site preparation, by June 27, 2012 the real estate shall revert to the City at no cost, free and clear of all liens and encumbrances; and

WHEREAS, the real estate has been conveyed by D4 to FED subject to the right of reverter; and

WHEREAS, D4 and FED have been grading the site and moving forward with engineering and construction plans for the Project but not all matters have been finalized to commence construction and D4 and FED have requested that the right of reverter be extended for an additional year, or June 30, 2013; and

WHEREAS, delays in a project of this magnitude would not be unusual; and

WHEREAS, the Project will significantly promote employment and economy of Morristown, Hamblen County and the surrounding area and its citizens;

NOW, THEREFORE, BE IT RESOLVED that the City of Morristown, Tennessee extends the right of reverter contained in its deed to D4 for an additional period of one year, or until June 27, 2013 and that an appropriate document be prepared and recorded in the Register’s Office for Hamblen County, Tennessee to evidence this extension.

Adopted on the 19th day of June, 2012.

Mayor

ATTEST:

City Administrator

Right of Reverter Modification and Extension Agreement

**(Cross reference with Record Book 1480, page 351 Registers Office
Hamblen County, Tennessee)**

For a good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, that Right of Reverter set out in that Deed of record in the Registers Office for Hamblen County, Tennessee in Record Book 1480, page 351 is modified and extended from June 27, 2012 to June 30, 2013 only and not further or otherwise.

This 19th day of June, 2012.

City of Morristown, Tennessee

By _____
Its Mayor

Freedom Energy Diesel, LLC

By _____
Its _____

STATE OF TENNESSEE
COUNTY OF HAMBLEN

Personally appeared before me, a Notary Public in and for the state and county aforesaid, DANNY THOMAS, with whom I am personally acquainted, and who, upon oath, acknowledged himself to be Mayor, of the City of Morristown, Tennessee, of the within named bargainor, a municipality, and that he as such Mayor, being authorized so to do, executed the foregoing instrument for the purpose therein contained, by signing the name of the corporation by himself as Mayor.

WITNESS my hand, at office, this 19th day of June, 2012.

NOTARY PUBLIC

My commission expires:

STATE OF TENNESSEE
COUNTY OF HAMBLEN

Personally appeared before me, a Notary Public in and for the state and county aforesaid, David A. Wild, with whom I am personally acquainted, and who, upon oath, acknowledged himself to be President of FREEDOM ENERGY DIESEL, LLC, a Georgia Limited Liability Company, the within named bargainor and that he as such President, being authorized so to do by the Articles of Organization or Operating Agreement of the limited liability company, executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself as President of the limited liability company.

WITNESS my hand and seal, at office, this 19th day of June, 2012.

NOTARY PUBLIC

My commission expires:

Councilmember LeBel made a motion to approve Ordinance No. 3419.16 on first reading and schedule a public hearing relative to final passage of said Ordinance for July 3, 2012. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

Ordinance No. 3419.16

An Ordinance to Amend Ordinance Number 3419, The City of Morristown, Tennessee Annual Budget for the Fiscal Year 2011-2012 and Appropriate the Sum of \$125,000 for Fire and Park & Rec for Accounts Over Budget.

Councilmember Brooks made a motion to approve Ordinance No. 3445 on first reading and schedule a public hearing relative to final passage of said Ordinance for July 3, 2012. Councilmember Senter seconded the motion and upon roll call; all voted "aye".

Ordinance No. 3445

An Ordinance to Amend the Municipal Code of the City of Morristown, Tennessee, Appendix B. {Rezoning of property located at 490 Croxdale Road (Hamblen County Tax Map 42, Parcel 82.03) from Medium Density Residential (R-2) to Agriculture (A-1)}.

Councilmember LeBel made a motion to approve Ordinance No. 3446 on first reading and schedule a public hearing relative to final passage of said Ordinance for July 3, 2012. Councilmember Garrett seconded the motion and upon roll call; all voted "aye".

Ordinance No. 3446

An Ordinance to Amend the Municipal Code of the City of Morristown, Tennessee, Appendix B. {Rezoning of property located at 606 North Cumberland Street and 105 & 111 & East 5th North Street (Hamblen County Tax Map 341, Group A, Parcels 37, 38 & 39) from Medium Density Residential (R2) to Local Business (LB)}.

Councilmember Jinks made a motion to approve Resolution No. 17-12. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

Resolution No. 17-12

Being a Resolution of the City of Morristown, Tennessee Authorizing Extension of the City's Contract with Veolia.

WHEREAS, the City of Morristown and Veolia are parties to a certain contract for the operation and maintenance services of the City's waste water treatment system; and

WHEREAS, the terms of the existing contract expire June 30, 2012; and

WHEREAS, the parties mutually desire to extend that contract for a period of 90 days beginning July 1, 2012 in order to complete negotiations on a new contract; and

WHEREAS, the parties wish to make certain changes to the contract to be effective during the 90 day extension period.

NOW, THEREFORE, be it resolved by the City Council of the City of Morristown, Tennessee that the above referenced contract with Veolia is extended for 90 days beginning July 1, 2012.

FURTHER RESOLVED, that budget version no. 2 submitted by Veolia will be adhered to during the extension period, pending negotiations to finalize the pending contract with Veolia.

FURTHER RESOLVED during the extension period City will pay for all utilities directly, and certain administrative changes as discussed in budget meetings shall be implemented during the renewal period.

Passed this 19th day of June, 2012.

Mayor

ATTEST:

City Administrator, Anthony Cox

Accepted by:
VEOLIA WATER NORTH AMERICA

BY:_____

Date:_____

Councilmember LeBel made a motion to approve Ordinance No. 3447 on first reading and schedule a public hearing relative to final passage of said Ordinance for July 3, 2012. Councilmember Bivens seconded the motion and upon roll call; all voted “aye”.

Ordinance No. 3447

An Ordinance to Amend the Municipal Code of the City of Morristown, Tennessee, Title 14, Chapter 2 – Zoning Ordinance, Section 14-203 Definitions, 144; Section 14-404, (RP-1) 8; Section 14-9; Chapter 9 (LB) in its entirety; Section 14-250, Chapter 25 (MUD) in its entirety; and Section 14-2604, (PCD) 6; and Substituting in Lieu thereof the Following New Definitions of Open Space, Requirements for open Space in the RP-1 Planned Residential District, Replacing the LB – Local Business District, and MUD Mixed Use Districts in their entirety and Requirements for Minimum Amount of Open Space in the PCD Planned Commercial Development District.

Councilmember Brooks made a motion to approve the Mayors nomination of Peter Cantwell to the Morristown Utility Commission. The motion failed for lack of second.

Councilmember LeBel made a motion to reject the Mayors nomination of Peter Cantwell to the Morristown Utility Commission. Councilmember Garrett seconded the motion and upon roll call; Councilmembers Garrett, Bivens, Senter, Jinks and LeBel voted “aye”; Councilmember Brooks and Mayor Thomas voted “no”.

Councilmember Jinks made a motion to approve the re-nomination of Mr. Steve Amos, Mr. James Craine, Mr. Jack Fishman, Ms. Rosemary Moody and Mr. Joe Swann to the Industrial Development Board of the City of Morristown, for an additional six-year term to expire on June 30, 2018. Councilmember Senter seconded the motion and upon roll call; all voted “aye”.

Councilmember LeBel made a motion to approve the nomination of Mr. Marshall Ramsey to the Industrial Development Board of the City of Morristown, to fill the remainder of Mr. Mervin Testerman’s term to expire on June 30, 2016. Councilmember Jinks seconded the motion and upon roll call; all voted “aye”.

City Administrator Tony Cox advised Council of the following budget appropriate line item transfers:

- Transfer of \$1,000 from Public Works Street Lighting 110-43150-341 (Electricity) to 110-43150-960 (Machinery & Equipment).
- Transfer of \$50 from Public Works Street Lighting 110-43150-341 (Electricity) to 110-43150-510 (General Liability).
- Transfer of \$3,000 from Public Works Street Lighting 110-43150-341 (Electricity) to 110-43150-429 (General Operating Supplies).
- Transfer of \$2,000 from Public Works Street Lighting 110-43150-341 (Electricity) to 110-43150-399 (Contracted Services).
- Transfer of \$500 from Public Works Street Lighting 110-43150-341 (Electricity) to 110-43150-411 (Office Supplies).
- Transfer of \$50 from Public Works Street Lighting 110-43150-341 (Electricity) to 110-43150-310 (Postal Service).

City Administrator Tony Cox stated he had included a copy of the Report on Debt Obligation and the Official Statement of the General Obligation Bonds, Series 2012, in Council packets to satisfy the reporting requirement of the debt policy and code.

Mayor Thomas adjourned the June 19, 2012 meeting.

MAYOR

ATTEST:

CITY ADMINISTRATOR