

PUBLIC WORKS/BUDGET COMMITTEE

August 29, 2000

4:00 P.M.

A joint meeting of the Public Works Committee and the Budget Committee was called to order by Councilwoman Rutherford, Chairman of the Public Works Committee. Also present were Councilmen Franklin, Hakeem, Taylor, Eaves, Hurley, and Pierce. Councilman Lively joined the meeting later. Also present were Attorney Randall Nelson, Management Analyst Randy Burns, and Shirley Crownover, Assistant Clerk to the Council.

Others present included Adm. Marcellis, Beverly Johnson, Mayor Kinsey, Phillip Lynn, Chief Coppinger, Shelley Parker, Paul Miller, Daisy Madison, and Adm. Boney. Adm. Mitchell joined the meeting later.

AGREEMENT WITH TENNESSEE VALLEY PUBLIC POWER ASSOC., INC.

Mayor Kinsey asked to address this issue before the regular Public Works matters were discussed. He stated that this was an item on the agenda tonight that did not get scheduled for committee. It is a Resolution authorizing an Agreement with the Tennessee Valley Public Power Association, Inc. (TVPPA) for them to abandon their easement with the Tennessee Valley Authority (TVA) and to pay TVPPA a sum not to exceed \$1,035,000.00 for its abandonment and relocation of its facilities. Mayor Kinsey explained that we had been working on this for three years for the expansion of the Trade Center; that they will be relocating their offices in the City of Chattanooga, which is part of the agreement; that this is part of the Trade Center financing, and we anticipate this being done in September. It is next to the Trade Center.

Councilman Eaves asked if this would be changing the relationship between the Electric Power Board and the City. It was explained to him that this has nothing to do with the Bond Issue for the Electric Power Board, which will be discussed later in the meeting.

On motion of Councilman Hakeem, seconded by Councilman Franklin, the above Resolution will be recommended to the full Council.

BOND ISSUE FOR ELECTRIC POWER BOARD

At this point Chairman Rutherford turned the meeting over to Carlos Smith, Attorney for the Electric Power Board. He stated that the Power Board has a number of capital projects in the works, including the new office building; that they have no outstanding Bond indebtedness; that a Bond Issue such as this has to be referred to the City Council; that technically it is the City of Chattanooga even though the City does not have to levy taxes to pay off the obligation. He explained that the \$40 million dollars will be paid over three years or less.

Attorney Smith stated that they anticipated, if the Council was willing, to have these Bonds on the Agenda for September 5th and re-bid on September 12th. He noted that he had several copies of the Resolution, which was subject to modification between now and next Tuesday; that they did not have the final approval for these Bonds.

Councilman Hakeem stated that to his knowledge and understanding, the Council had been pleased with the Electric Power Board and the progress they were making along the lines of the land transfer; that we were looking at \$40 million dollars in bonds and looking at the future. He questioned where we were as far as minority participation was concerned since there are four on this Council. He questioned putting out \$40 million dollars if no African-Americans have the opportunity to participate. He stated that there must be participation.

Attorney Smith responded that the Electric Power Board was committed to Affirmative Action and had hired minority employees before they were legally required to have this in place. He stated that they had a good past in regards to hiring along the lines of race and gender with participation. He explained that the major Contract let will be for the construction of the new office building and parking garage; that the bids had not been prepared, and they were still in the design stage. He stated that they were actively engaging a minority architect to assist in preparing the plans. He stated that this had been discussed with the Board Members, and it was the intent of the Board to maximize participation of minorities from both a race, gender, and disadvantaged standpoint. He stated that the Board would do what it legally could do to provide opportunities.

Councilman Hakeem stated that all of these *“if’s, and’s, and but’s”* did not give him assurance and asked to be shown something in writing about what had been done in the past and where they were going. He stated that he did not doubt Attorney Smith nor the Board.

Councilman Franklin noted that in other projects, recently, there had been willingness to meet these expectations; that when we shift to other things, contractors had not always been available, and he realized that on projects such as these we have to stay on schedule. He stated that he had really tried to “beat the drum” concerning this new proposed construction; that he had personally made some inroads to individual contractors and companies so that they would know what is going on and can “plug” into it.

Councilman Hakeem stated that the City of Chattanooga was making great progress in this area; that the Electric Power Board had worked with the City of Chattanooga; that all should be a part of the “pie”, but it always seemed that they wined up on the bottom of the ladder. He wanted to make sure that Attorney Smith understood that when he said minority he was talking about African-Americans.

Attorney Smith stated that he did realize that this had to be put out for public bids, and he had been concerned about equal participation by all in these contracts; that he had talked with Attorney Nelson, and he had offered to make himself available to explain what the City is doing to maximize opportunities, and he intended to take advantage of this.

Councilman Taylor asked if we knew the interest rate yet. Attorney Nelson stated that this would be bid on September 12th.

Attorney Smith again stated that he had a box full of Resolutions if anyone wanted one.

Councilman Pierce asked if they would address utility bills for this coming winter. Attorney Smith stated that someone higher up than he was would have to speak to this.

Attorney Nelson reminded the Council that bids would be let on **September 12th**, which would mean that we would need a noon Council meeting on that date. He asked that the Councilmembers mark their calendars for a **12:00 meeting on September 12th**.

Councilman Eaves stated that his concern was the possibility of this changing the relationship between the Electric Power Board and the City of Chattanooga. He asked if all future bond issues would come through the City or if we were attempting to change the Charter now. He asked if the “Electric System” referred to in the Resolution was a different group.

Attorney Smith explained that technically the Electric Power Board is a telecommunications operation. He explained that they had used the term “Electric System” because terms for a Bond Issue are defined differently than State Law, and that is the reason they used this term.

Attorney Nelson explained that the Electric Power Board is set up by City Charter and to change this, it would have to go to the people.

On motion of Councilman Eaves, seconded by Councilman Hakeem, this will be recommended to the full Council.

Chairman Rutherford stated that this had been recommended to the full Council.

AGENDA ITEMS FOR AUGUST 29TH

Adm. Marcellis proceeded to go over agenda items for tonight's meeting, beginning with **Resolution (b)** authorizing a Solar Project Easement and License Agreement with the Tennessee Valley Authority (TVA), relative to TVA's installation of solar panels and associated facilities at Finley Stadium. He explained that this was the item he held back two weeks ago because they had a problem with the arrangement in the parking lot; that they thought the poles would block car doors, but this had been redesigned, and they now recommended this to the Council to authorize the Mayor to enter into this agreement. He explained that the City owns the land, and they have no problem with this.

Councilman Pierce asked if any fees were associated with this. Adm. Marcellis responded not from our viewpoint; that they would maintain it, and we will have no responsibility; that they would sign it and were out soliciting companies to pay this premium rate for "green power". He reiterated that there were no fees associated with the land or anything like that. Councilman Pierce stated that he still did not understand this and asked if it would be generating power. Adm. Marcellis explained that it would go straight into the grid; that they know how much they are producing and will be paid for by citizens who wish to pay the premium because they like "green power"—that it is pure, naturally generated electricity from the sun.

Councilwoman Hurley asked if this was experimental or a pilot project. Adm. Marcellis responded that it was a pilot project to see how many people wish to do this. He mentioned it being put in place at Dollywood, noting that we would do some windmills, too. Councilwoman Hurley confirmed that it was a pilot project to find an alternative source of energy.

Councilman Franklin asked if there were any other locations, locally. Adm. Marcellis stated that we had considered the DRC building but to blend it into the architecture would have cost too much for the foundation.

Resolution © authorizes a Maintenance Contract with the Tennessee Department of Transportation for fiscal year 2000-2001, relative to the State reimbursing the City for maintenance work on State highways routed through the City. Adm. Marcellis explained that the State pays us to fill up pot holes; that it could run as high as \$365,000, but we had been able to recoup some of this; that this dealt with sweeping the state highways and mowing the medians; that luckily we had not had too many snows to cause damage.

Resolution (d) authorizes Contract No. SW-5-00, School Sidewalk Projects for Dalewood Middle School to Riverbend Construction Corporation for their low bid in the amount of \$165,920.00, plus a contingency of \$13,000.00, for a total amount of \$178,920.00. Adm. Marcellis stated that this was the last project, and it took longer because of the stormwater issue; that there was a major drainage ditch along Wilcox Blvd.; that they were putting in sidewalks. He explained that they were asking the Council to give them flexibility up to \$13,000, which they referred to as contingency; that when they went out to bid, they did not have the information from the regulators, and they are now requesting some rock dams along the ditch and some cleaning out, and it may cost upward to \$13,000.00.

Councilman Taylor asked if Riverbend Construction Corp. was not the company that did previous work on Safewalk, where we ran into problems. Adm. Marcellis responded that it was because of conduits not being there, and they came back with no charge to us. Councilman Taylor asked that they be followed on this project and before they began, they needed to repair a fence that they knocked down at 37th Street and Alton Park (Councilman Franklin stated he did not want them to make any mistakes at Dalewood).

Resolution (e) authorizes Change Order No. 1, Main Street Firehall, with Schaerer Contracting Co., Inc., increasing the contract by \$86,602.00 for a revised contract amount of \$2,230,602.00. \$55,000 of this is for unacceptable soil that had to be pulled out; also there was some repair of brick and some footings that had to be poured; also a steel beam had to be added to the building; the beam cost \$7,000 and the brick repair \$10,000. Adm. Marcellis noted that the Fire Chief was here and that we were still on schedule to finish in the middle of December.

Councilman Hakeem asked if we don't do any type of sampling of the soil before we start a major project like this. Adm. Marcellis responded that normally we would, but in this case apparently this was not done; that we inherited the management of the building and contract and soil sampling was not accomplished before the design, and we were feeling the after effect. He added that even if the soil was bad and was noted as a line item in the bid, we would just have had to pay at the front end rather than now.

Resolution (f) authorizes Ridgedale Baptist Church to temporarily use a portion of the City's right-of-way on either side of Hickory Valley Road to provide a pedestrian crosswalk to the proposed parking lot across the road from the Church.

Councilman Eaves added that they were putting some soccer courts out there and welcomed and invited citizens to use them, and it would cost us nothing.

On motion of Councilman Eaves, seconded by Councilman Lively, the above items will be recommended to the full Council.

AGENDA ITEMS FOR SEPTEMBER 5, 2000

Adm. Marcellis began with **Resolution (a)** authorizing the appointment of Richard Leonard as a Special Policeman for the Public Works Dept., Traffic Engineering Division. Adm. Marcellis explained that he would not carry a weapon but would be provided the ability to hand out citations; that he was needed for back-up in Traffic Engineering.

Resolution (b) authorizes the appointment of several people as Special Police Officers for Storm Water Ordinance Enforcement Division to deal with illicit discharges. He explained that we had done this in the past for both divisions.

Resolution © authorizes an Agreement with the City of Collegedale to lease and purchase an interceptor gravity sewer line, force main, pump station, easements and fee property associated for a consideration of \$2,804.42 per month, for a total amount not to exceed \$468,338.14. Adm. Marcellis stated that 3-4 years ago we annexed Apison Pike and Summit Landfill; that the force main, gravity line, and pump station were in our jurisdiction, and we needed to be the owner of these items; that we would purchase these items from the City of Collegedale. He explained a long-term Bond Issues for another 14 years, stating that we agreed to lease this pump station and force main for the next 14 years until this is paid off. He explained that we thought it would be more valuable than this but this is the undepreciated value for a 40-year lifetime; that it would still have value after 30 years.

Councilman Eaves asked where this was. Adm. Marcellis responded that it followed Apison Pike. Councilman Eaves asked if it was in the City, and Adm. Marcellis responded "yes". Councilman Eaves stated that he did understand this.

Resolution (d) authorizes an Agreement with the Alabama Great Southern Railroad Company to widen their grade crossing on Williams Street for an amount not to exceed \$19,000.00. This is just north of 31st and 33rd Streets. Adm. Marcellis explained that we have an Agreement with TDOT for an industrial road project there; that it is our responsibility to deal with the drainage and also utilities including the railroad.

Resolution (e) authorizes the purchase of General Slope Easements from New Hope Missionary Baptist Church relative to Contract No. RW-4-00, Widening and Improvements to Shallowford Road for a total consideration of \$2,175.00. This includes two slope easements and a construction easement. Adm. Marcellis noted that about two weeks ago the Council approved the widening. It is \$.50 for slope easements and \$.25 for construction easement.

Resolution (f) authorizes Natural Woods to temporarily use a portion of the City's right-of-way at 1401 Williams Street to provide wheelchair access to Natural Woods building. This is a requirement and some of it is on the City's right-of-way. Adm. Marcellis noted that we would still have 6 ft. sidewalks.

Councilman Hakeem stated that he was not familiar with Natural Woods. Adm. Marcellis stated that they were located around Coolidge Park and were moving to the Southside. Councilman Hakeem asked if it was a restaurant. Adm. Marcellis responded that it sold furniture.

On motion of Councilman Taylor, seconded by Councilman Hakeem, the above items will be recommended to the full Council.

Councilman Pierce asked if this would interfere with other businesses in the area asking to re-do their sidewalks. Adm. Marcellis explained that streetscape was on the opposite side of the street.

The meeting adjourned at 4:50 P.M.