

A MEETING OF THE BOARD OF COMMISSIONERS
OF THE CITY OF SODDY-DAISY, TENNESSEE, WAS
HELD ON THURSDAY, JUNE 7, 2012 AT 7:00 P.M.

MEMBERS PRESENT:

MAYOR JIM ADAMS
VICE-MAYOR JANICE CAGLE
COMMISSIONER SHANE HARMON
COMMISSIONER GENE SHIPLEY
CITY MANAGER HARDIE STULCE
CITY RECORDER BURT JOHNSON

MEMBERS ABSENT:

COMMISSIONER RICK NUNLEY
CITY ATTORNEY SAM ELLIOTT

Mayor Adams announced deviating from the agenda's order and starting with the "Award of the Waste Services Contract." Commissioner Shipley asked if the City Attorney had looked at the contract and approved it. He said that the current provider of residential waste service, Waste Connections of Tennessee, was the low bidder. Commissioner Shipley said if the award did not have to be made tonight then he would like to wait until the City Attorney is present to award the contract. Vice-Mayor Cagle stated that she did not think any wording had changed in the contract and asked City Manager Stulce if any had changed. City Manager Stulce stated there were two changes to the "request for proposals," which was given to him by the Board. He said two of the requirements were reduced. He said three years ago the proposer had to have five (5) years of experience or if less than five (5) years, they had to have a customer base of 4,000 or more. He said this has been changed to three (3) years of experience or a customer base of 1,000 or more. City Manager Stulce informed the Board that they were not awarding the "contract", but were awarding the bid based on the submittals. Commissioner Shipley stated that the bid price was significantly lower than the rate the City is currently paying. He asked Doug McGill, Waste Connections of Tennessee, what their intent was for future rates. He questioned if they

would be increasing by the 5% that was allowable under the contract. Mr. McGill said the allowable increase is based on the Consumer Price Index (CPI) published by the U.S. Department of Labor, Bureau of Labor Statistics. He stated that he called Finance Director Johnson earlier in the week and informed him that if the City were to enter into a five (5) year contract that he would “cap” the increase at 3.5%. Mr. McGill stated that since it was a request for proposals and his company was the low bidder, it was in his rights to offer the 3.5% cap. He explained to the Board that if the “CPI” was 10% for the year, his company could only increase the rate by 3.5%. Vice-Mayor Cagle stated that if the “CPI” was 2% then the rate would only increase by 2%. Commissioner Harmon stated he does not know the legalities of Waste Connections of Tennessee offering to lower the percentage increase, but questioned how Mr. McGill had the right to call Finance Director Johnson and make this offer. Mr. McGill stated because it was a request for proposals and not a “straight bid”, he had the right to “sweeten the pot”. Mr. McGill stated that he felt it was a betterment for the residents of the City to enter into a five (5) year contract due to the cost savings. Commissioner Harmon asked why couldn’t the other proposers “sweeten the pot”? Mr. McGill said because the “Tennessee Annotated for Purchasing” only allows the low bidder to do it. Commissioner Harmon asked Mr. McGill if he was saying that it is not legal for the other proposers to “sweeten their pot.” Mr. McGill said it was his understanding that it was not legal. He stated that he could rescind the 3.5% cap offer if needed. Commissioner Harmon said he did not want Mr. McGill to rescind anything but he would like to get a legal clarification from an attorney on the issue. Mr. McGill said it would be good if the City could go ahead and award the “bid” subject to getting an attorneys opinion whether they were in their rights to offer the 3.5% cap on a five (5) year contract. Steve Loffollet, Waste Connections of Tennessee, approached the Board and informed them that his

company was not changing the base bid price but was only offering to decrease the 5% yearly allowable increase to 3.5% for a five (5) year contract. Sean Sims, Priority Waste, approached the Board and said he was in attendance to protest this matter. He said Mr. McGill was trying to convince the Board to enter into the contract without the City Attorney present. Mr. Sims said he would like to make changes to his bid since Waste Connections of Tennessee was able to. Commissioner Harmon made a motion for the City Attorney to be present before entering into any contract. The motion died due to a lack of a second. Commissioner Shipley made a motion to table the award until the next commission meeting, seconded by Vice-Mayor Cagle and the ayes were unanimous. Mr. McGill requested a meeting to be scheduled with him, the City Manager and the City Attorney to discuss the issue.

Bob Stone, Allied Waste, asked if the recycling proposals would be dealt with. Vice-Mayor Cagle stated that the City could not afford it. She asked if individual citizens could call and set up to recycle, paying for it themselves. Mr. Stone advised that the Board check with the City Attorney to make sure it doesn't infringe on the regular waste service contract. He said his company does not have a problem with offering recycling on an individual basis. It was a consensus of the Board that the City could not afford to enter into a recycling contract.

The minutes of the regular meeting held May 17, 2012 and the special called meeting held May 24, 2012 were approved as presented.

Old Business:

None.

New Business:

2011-2012 RESOLUTION NO. ____

**A RESOLUTION OF THE CITY OF SODDY-DAISY, TENNESSEE,
ADOPTING A CLASSIFICATION AND PAY PLAN FOR CITY EMPLOYEES
FOR FISCAL YEAR 2012-2013.**

City Manager Stulce stated the City Commission has the sole authority for setting salaries, determining the number of positions and the number of employees for the City. He said it is required to be voted on by Resolution every year at budget time. Commissioner Shipley said he had one item to discuss. He said the Board had been worried when the previous City Recorder, Sara Burris, announced that she would be retiring. He said she had been employed as recorder so long that she knew everything about the City and had even served as Interim City Manager several times. Commissioner Shipley stated that the City was fortunate when Finance Director/Recorder Burt Johnson was hired. He said Mr. Johnson is well educated and knowledgeable of his job. He stated that he is currently making between \$2,500 and \$2,800 less a year than Mrs. Burris when she retired and yet is doing the same job. Commissioner Shipley stated as part of the pay plan, he would like to bring Finance Director/Recorder Johnson up to the same level of pay as the other department heads. Commissioner Harmon said that Finance Director/Recorder Johnson is only a couple of classes away from becoming a Certified Municipal Finance Officer, which was one of the stipulations put on him when hired. He said Finance Director/Recorder Johnson does a wonderful job for the City and does whatever is asked of him.

- 1st - Commissioner Shipley made a motion to adopt the pay plan as amended to increase Finance Director/Recorder Johnson's salary to the level of the other department heads
- 2nd - Vice-Mayor Cagle
- Ayes - Mayor Adams, Vice-Mayor Cagle, Commissioner Shipley
- Nays - Commissioner Harmon

Citizens Participation:

Jenny Henry, 1445 Bowman Road, questioned why Waste Connections of Tennessee would raise their rates in one year and then drop them significantly the next year. She asked with the current state of the economy, “Why they would drop their rates?” Ms. Henry said she has read the minutes from several different commission meetings and the commissioners and the city manager have encouraged everyone to spend their money in Soddy-Daisy. She said she does not know how much the difference is between the proposals but if you keep your money in Soddy-Daisy and Hamilton County, it will benefit those who live in these areas. Ms. Henry said the company who has the waste services contract now and for the past several years probably does not spend their money in Hamilton County and especially not in Soddy-Daisy because they are out of Bradley County and the City of Cleveland. She encouraged the Board to spend the City’s money in Soddy-Daisy as they have encouraged others to do.

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Mayor Adams announced deviating from the agenda's order and starting with the "Award of the Waste Services Contract." Commissioner Shipley asked if the City Attorney had looked at the contract and approved it. He said that the current provider of residential waste service, Waste Connections of Tennessee, was the low bidder. Commissioner Shipley said if the award did not have to be made tonight then he would like to wait until the City Attorney is present to award the contract. Vice-Mayor Cagle stated that she did not think any wording had changed in the contract and asked City Manager Stulce if any had changed. City Manager Stulce stated there were two changes to the "request for proposals," which was given to him by the Board. He said two of the requirements were reduced. He said three years ago the proposer had to have five (5) years of experience or if less than five (5) years, they had to have a customer base of 4,000 or more. He said this has been changed to three (3) years of experience or a customer base of 1,000 or more. City Manager Stulce informed the Board that they were not awarding the "contract", but were awarding the bid based on the submittals. Commissioner Shipley stated that the bid price was significantly lower than the rate the City is currently paying. He asked Doug McGill, Waste Connections of Tennessee, what their intent was for future rates. He questioned if they

would be increasing by the 5% that was allowable under the contract. Mr. McGill said the allowable increase is based on the Consumer Price Index (CPI) published by the U.S. Department of Labor, Bureau of Labor Statistics. He stated that he called Finance Director Johnson earlier in the week and informed him that if the City were to enter into a five (5) year contract that he would “cap” the increase at 3.5%. Mr. McGill stated that since it was a request for proposals and his company was the low bidder, it was in his rights to offer the 3.5% cap. He explained to the Board that if the “CPI” was 10% for the year, his company could only increase the rate by 3.5%. Vice-Mayor Cagle stated that if the “CPI” was 2% then the rate would only increase by 2%. Commissioner Harmon stated he does not know the legalities of Waste Connections of Tennessee offering to lower the percentage increase, but questioned how Mr. McGill had the right to call Finance Director Johnson and make this offer. Mr. McGill stated because it was a request for proposals and not a “straight bid”, he had the right to “sweeten the pot”. Mr. McGill stated that he felt it was a betterment for the residents of the City to enter into a five (5) year contract due to the cost savings. Commissioner Harmon asked why couldn’t the other proposers “sweeten the pot”? Mr. McGill said because the “Tennessee Annotated for Purchasing” only allows the low bidder to do it. Commissioner Harmon asked Mr. McGill if he was saying that it is not legal for the other proposers to “sweeten their pot.” Mr. McGill said it was his understanding that it was not legal. He stated that he could rescind the 3.5% cap offer if needed. Commissioner Harmon said he did not want Mr. McGill to rescind anything but he would like to get a legal clarification from an attorney on the issue. Mr. McGill said it would be good if the City could go ahead and award the “bid” subject to getting an attorneys opinion whether they were in their rights to offer the 3.5% cap on a five (5) year contract. Steve Loffollet, Waste Connections of Tennessee, approached the Board and informed them that his

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The minutes of the regular meeting held May 17, 2012 and the special called meeting held May 24, 2012 were approved as presented.

Old Business:

None.

New Business:

2011-2012 RESOLUTION NO. ____

**A RESOLUTION OF THE CITY OF SODDY-DAISY, TENNESSEE,
ADOPTING A CLASSIFICATION AND PAY PLAN FOR CITY EMPLOYEES
FOR FISCAL YEAR 2012-2013.**

City Manager Stulce stated the City Commission has the sole authority for setting salaries, determining the number of positions and the number of employees for the City. He said it is required to be voted on by Resolution every year at budget time. Commissioner Shipley said he had one item to discuss. He said the Board had been worried when the previous City Recorder, Sara Burris, announced that she would be retiring. He said she had been employed as recorder so long that she knew everything about the City and had even served as Interim City Manager several times. Commissioner Shipley stated that the City was fortunate when Finance Director/Recorder Burt Johnson was hired. He said Mr. Johnson is well educated and knowledgeable of his job. He stated that he is currently making between \$2,500 and \$2,800 less a year than Mrs. Burris when she retired and yet is doing the same job. Commissioner Shipley stated as part of the pay plan, he would like to bring Finance Director/Recorder Johnson up to the same level of pay as the other department heads. Commissioner Harmon said that Finance Director/Recorder Johnson is only a couple of classes away from becoming a Certified Municipal Finance Officer, which was one of the stipulations put on him when hired. He said Finance Director/Recorder Johnson does a wonderful job for the City and does whatever is asked of him.

- 1st - Commissioner Shipley made a motion to adopt the pay plan as amended to increase Finance Director/Recorder Johnson's salary to the level of the other department heads
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- Ayes - Mayor Adams, Vice-Mayor Cagle, Commissioner Shipley
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City Manager Stulce stated the Board in the previous commission meeting voted to approve the purchase of \$2,250 of material from Raines Brothers to finish the inside of Poe’s Tavern but did not stipulate which line item to use for the expenditure. Commissioner Harmon made a motion to pay for the purchase from the “unbudgeted funds” line item, seconded by Commissioner Shipley and the ayes were unanimous.

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Commissioner Shipley stated that the City is debt free and said one of the goals of the City for next year is to increase the City's reserve funds.

ADJOURNMENT 8:20 P.M.

RECORDER JOHNSON

A MEETING OF THE BOARD OF COMMISSIONERS
OF THE CITY OF SODDY-DAISY, TENNESSEE, WAS
HELD ON THURSDAY, JUNE 7, 2012 AT 7:00 P.M.

MEMBERS PRESENT:

MAYOR JIM ADAMS
VICE-MAYOR JANICE CAGLE
COMMISSIONER SHANE HARMON
COMMISSIONER GENE SHIPLEY
CITY MANAGER HARDIE STULCE
CITY RECORDER BURT JOHNSON

MEMBERS ABSENT:

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ADJOURNMENT 8:20 P.M.

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VICE-MAYOR JANICE CAGLE
COMMISSIONER SHANE HARMON
COMMISSIONER GENE SHIPLEY
CITY MANAGER HARDIE STULCE
CITY RECORDER BURT JOHNSON

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would be increasing by the 5% that was allowable under the contract. Mr. McGill said the allowable increase is based on the Consumer Price Index (CPI) published by the U.S. Department of Labor, Bureau of Labor Statistics. He stated that he called Finance Director Johnson earlier in the week and informed him that if the City were to enter into a five (5) year contract that he would “cap” the increase at 3.5%. Mr. McGill stated that since it was a request for proposals and his company was the low bidder, it was in his rights to offer the 3.5% cap. He explained to the Board that if the “CPI” was 10% for the year, his company could only increase the rate by 3.5%. Vice-Mayor Cagle stated that if the “CPI” was 2% then the rate would only increase by 2%. Commissioner Harmon stated he does not know the legalities of Waste Connections of Tennessee offering to lower the percentage increase, but questioned how Mr. McGill had the right to call Finance Director Johnson and make this offer. Mr. McGill stated because it was a request for proposals and not a “straight bid”, he had the right to “sweeten the pot”. Mr. McGill stated that he felt it was a betterment for the residents of the City to enter into a five (5) year contract due to the cost savings. Commissioner Harmon asked why couldn’t the other proposers “sweeten the pot”? Mr. McGill said because the “Tennessee Annotated for Purchasing” only allows the low bidder to do it. Commissioner Harmon asked Mr. McGill if he was saying that it is not legal for the other proposers to “sweeten their pot.” Mr. McGill said it was his understanding that it was not legal. He stated that he could rescind the 3.5% cap offer if needed. Commissioner Harmon said he did not want Mr. McGill to rescind anything but he would like to get a legal clarification from an attorney on the issue. Mr. McGill said it would be good if the City could go ahead and award the “bid” subject to getting an attorneys opinion whether they were in their rights to offer the 3.5% cap on a five (5) year contract. Steve Loffollet, Waste Connections of Tennessee, approached the Board and informed them that his

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The minutes of the regular meeting held May 17, 2012 and the special called meeting held May 24, 2012 were approved as presented.

Old Business:

None.

New Business:

2011-2012 RESOLUTION NO. ____

**A RESOLUTION OF THE CITY OF SODDY-DAISY, TENNESSEE,
ADOPTING A CLASSIFICATION AND PAY PLAN FOR CITY EMPLOYEES
FOR FISCAL YEAR 2012-2013.**

City Manager Stulce stated the City Commission has the sole authority for setting salaries, determining the number of positions and the number of employees for the City. He said it is required to be voted on by Resolution every year at budget time. Commissioner Shipley said he had one item to discuss. He said the Board had been worried when the previous City Recorder, Sara Burris, announced that she would be retiring. He said she had been employed as recorder so long that she knew everything about the City and had even served as Interim City Manager several times. Commissioner Shipley stated that the City was fortunate when Finance Director/Recorder Burt Johnson was hired. He said Mr. Johnson is well educated and knowledgeable of his job. He stated that he is currently making between \$2,500 and \$2,800 less a year than Mrs. Burris when she retired and yet is doing the same job. Commissioner Shipley stated as part of the pay plan, he would like to bring Finance Director/Recorder Johnson up to the same level of pay as the other department heads. Commissioner Harmon said that Finance Director/Recorder Johnson is only a couple of classes away from becoming a Certified Municipal Finance Officer, which was one of the stipulations put on him when hired. He said Finance Director/Recorder Johnson does a wonderful job for the City and does whatever is asked of him.

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- Ayes - Mayor Adams, Vice-Mayor Cagle, Commissioner Shipley
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Commissioner Shipley stated that the City is debt free and said one of the goals of the City for next year is to increase the City's reserve funds.

ADJOURNMENT 8:20 P.M.

RECORDER JOHNSON

A MEETING OF THE BOARD OF COMMISSIONERS
OF THE CITY OF SODDY-DAISY, TENNESSEE, WAS
HELD ON THURSDAY, JUNE 7, 2012 AT 7:00 P.M.

MEMBERS PRESENT:

MAYOR JIM ADAMS
VICE-MAYOR JANICE CAGLE
COMMISSIONER SHANE HARMON
COMMISSIONER GENE SHIPLEY
CITY MANAGER HARDIE STULCE
CITY RECORDER BURT JOHNSON

MEMBERS ABSENT:

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ADJOURNMENT 8:20 P.M.

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VICE-MAYOR JANICE CAGLE
COMMISSIONER SHANE HARMON
COMMISSIONER GENE SHIPLEY
CITY MANAGER HARDIE STULCE
CITY RECORDER BURT JOHNSON

MEMBERS ABSENT:

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would be increasing by the 5% that was allowable under the contract. Mr. McGill said the allowable increase is based on the Consumer Price Index (CPI) published by the U.S. Department of Labor, Bureau of Labor Statistics. He stated that he called Finance Director Johnson earlier in the week and informed him that if the City were to enter into a five (5) year contract that he would “cap” the increase at 3.5%. Mr. McGill stated that since it was a request for proposals and his company was the low bidder, it was in his rights to offer the 3.5% cap. He explained to the Board that if the “CPI” was 10% for the year, his company could only increase the rate by 3.5%. Vice-Mayor Cagle stated that if the “CPI” was 2% then the rate would only increase by 2%. Commissioner Harmon stated he does not know the legalities of Waste Connections of Tennessee offering to lower the percentage increase, but questioned how Mr. McGill had the right to call Finance Director Johnson and make this offer. Mr. McGill stated because it was a request for proposals and not a “straight bid”, he had the right to “sweeten the pot”. Mr. McGill stated that he felt it was a betterment for the residents of the City to enter into a five (5) year contract due to the cost savings. Commissioner Harmon asked why couldn’t the other proposers “sweeten the pot”? Mr. McGill said because the “Tennessee Annotated for Purchasing” only allows the low bidder to do it. Commissioner Harmon asked Mr. McGill if he was saying that it is not legal for the other proposers to “sweeten their pot.” Mr. McGill said it was his understanding that it was not legal. He stated that he could rescind the 3.5% cap offer if needed. Commissioner Harmon said he did not want Mr. McGill to rescind anything but he would like to get a legal clarification from an attorney on the issue. Mr. McGill said it would be good if the City could go ahead and award the “bid” subject to getting an attorneys opinion whether they were in their rights to offer the 3.5% cap on a five (5) year contract. Steve Loffollet, Waste Connections of Tennessee, approached the Board and informed them that his

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The minutes of the regular meeting held May 17, 2012 and the special called meeting held May 24, 2012 were approved as presented.

Old Business:

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2011-2012 RESOLUTION NO. ____

**A RESOLUTION OF THE CITY OF SODDY-DAISY, TENNESSEE,
ADOPTING A CLASSIFICATION AND PAY PLAN FOR CITY EMPLOYEES
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City Manager Stulce stated the City Commission has the sole authority for setting salaries, determining the number of positions and the number of employees for the City. He said it is required to be voted on by Resolution every year at budget time. Commissioner Shipley said he had one item to discuss. He said the Board had been worried when the previous City Recorder, Sara Burris, announced that she would be retiring. He said she had been employed as recorder so long that she knew everything about the City and had even served as Interim City Manager several times. Commissioner Shipley stated that the City was fortunate when Finance Director/Recorder Burt Johnson was hired. He said Mr. Johnson is well educated and knowledgeable of his job. He stated that he is currently making between \$2,500 and \$2,800 less a year than Mrs. Burris when she retired and yet is doing the same job. Commissioner Shipley stated as part of the pay plan, he would like to bring Finance Director/Recorder Johnson up to the same level of pay as the other department heads. Commissioner Harmon said that Finance Director/Recorder Johnson is only a couple of classes away from becoming a Certified Municipal Finance Officer, which was one of the stipulations put on him when hired. He said Finance Director/Recorder Johnson does a wonderful job for the City and does whatever is asked of him.

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- Ayes - Mayor Adams, Vice-Mayor Cagle, Commissioner Shipley
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Commissioner Shipley stated that the City is debt free and said one of the goals of the City for next year is to increase the City's reserve funds.

ADJOURNMENT 8:20 P.M.

RECORDER JOHNSON

A MEETING OF THE BOARD OF COMMISSIONERS
OF THE CITY OF SODDY-DAISY, TENNESSEE, WAS
HELD ON THURSDAY, JUNE 7, 2012 AT 7:00 P.M.

MEMBERS PRESENT:

MAYOR JIM ADAMS
VICE-MAYOR JANICE CAGLE
COMMISSIONER SHANE HARMON
COMMISSIONER GENE SHIPLEY
CITY MANAGER HARDIE STULCE
CITY RECORDER BURT JOHNSON

MEMBERS ABSENT:

COMMISSIONER RICK NUNLEY
CITY ATTORNEY SAM ELLIOTT

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