

MINUTES  
OF THE  
BOARD OF MAYOR AND ALDERMEN  
DECEMBER 14, 2017  
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The Board of Mayor and Aldermen of the City of Henderson, Tennessee met in regular session on Thursday, December 14, 2017 at 7:00 P.M. in the Council Chamber of the City of Henderson City Hall. Present and presiding was Mayor Robert W. (Bobby) King. City Recorder Jim E. Garland called the roll with the following being present:

Aldermen: Mark A. Barber, Donna R. Butler, Johny R. Farris, Buel Maness,  
Michael Phelps and Keith Smith  
Absent: None.

There also present at the meeting were: City Attorney Jerry Spore, City Recorder Jim E. Garland, Police Chief Wilton Cleveland, Public Works Director Carter Scales, Fire Chief Glenn Bryan, Building Official Brent Beshires and Utility Director Darryl Green.

Mayor King called the meeting to order at the appointed time. Alderman Buel Maness gave the invocation and Alderman Mark Barber led the Pledge to the Flag. The following proceedings were entered here-to-wit:

The minutes of the previous meeting and the Beer Board meeting were presented for approval. Motion was made by Ald. Barber, duly 2<sup>nd</sup> by Ald. Phelps to approve the minutes as prepared. Motion carried.

The accumulated accounts were presented for informational purposes. Ald. Smith asked for clarification on one item on the utility accounts. UD Green explained the invoice/payment. There being no other questions on the accounts, the meeting continued.

The next item on the agenda was a call for delegations to address the board.

Mrs. Denise Kinchen, a utility customer from 720 Williams Road, addressed the board concerning her utilities being cut off for non-payment. She stated that she did not receive a bill in November and had been a customer for 37 years and had never been cut off for non-payment. She stated that she did not realize the city was no longer sending out late notices. Mrs. Kinchen stated she had to leave a business meeting in Jackson and rush back to the Utility Dept and pay the bill which was approximately \$61.00 plus a \$50.00 reconnect fee in order to have the service turned back on before the end of the day. She felt the existing system was not fair.

UD Darryl Green spoke and reminded the board that the utility department stopped sending out the second notices when the new billing system went into effect in July. The new bills do state that a second notice would not be sent and tells the customer the exact date that the service will be disconnected for non-payment. For the first few months, the utility clerks have made every effort to call or contact customers prior to them being cut off to help educate them. Many of the customers do not have up to date phone numbers on their accounts. The practice of

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calling customers is costly and time consuming and starting about November, they ceased this practice. He did state that the turn offs had increased from approximately 30 per month to a total of 70 in November. He provided the board members a graph showing the number of cut offs each month. It was explained that the bills are due within 10 days of billing without penalty, then there is an additional 10 days before the cutoff date.

The board discussed this matter in depth. Ald. Farris suggested that the city send out a second bill (not a second notice) before starting the cut offs. This would mean the customer should received two bills before being cut off but this would extend the cutoff date and more than likely increase uncollectible amounts. After due discussion, motion was made by Ald. Farris, duly 2<sup>nd</sup> by Ald. Butler to recommend the utility staff review the existing policy and bring a recommendation back to the board at the next meeting. Motion carried.

Tierra Thaxton addressed the board asking for a donation to fund the non-profit organization, “Treasures Love Bears”. The city has funded this program in the past but Ms. Thaxton reminded the board that she did not ask for funding last year. The program distributes teddy bears to children in local hospitals. The program has increased and now services Jackson General and LeBonheur. They hoped to add Tennova Hospital this year. Bears will be distributed on or around Valentine’s Day. The bags the bears come in will have the city logo. A Platinum Sponsor is \$1,500 but they would accept any level of funds. After due discussion, an amount of \$800.00 for a Silver Sponsor was recommended and would be paid from the Mayor’s Promotional Account. No motion was needed.

Mr. Mike Hewitt of Alexander, Thompson and Arnold was present at the meeting to discuss the results of the annual audit for the year ending June 30, 2017. The staff and board members had been presented a copy of the audit prior to the meeting thus having a chance to review the document. Mr. Hewitt stated that instead of flipping through 90 pages of an audit, he had prepared a short presentation summarizing the report. He went through the presentation explaining the reasons for having an audit. He stated that the audit did not have any “Audit Findings”.

The budget year revenue and expenditures had the following effects on the governmental fund balances:

FUND	Increase (Decrease)	Ending Balance
General Fund -----	\$376,397	\$2,170,724
Drug Fund -----	(\$ 11,544)	\$ 49,934
State Street Aid -----	\$ 2,326	\$ 176,965
Sanitation Fund -----	(\$ 61,972)	\$ 135,123
General Debt Service Fund -----	(\$ 38,631)	\$ 49,990

The Utility Department posted the following net income (loss) for the year.

Water Department -----	\$188,243
Sewer Department -----	\$ 36,300
Gas Department -----	\$176,757

Mr. Hewitt noted two minor items in the Management Letter that needed to be addressed by the city. The first being that a comparison of the Utility Funds Receivables in the Utility Billing System vs. the General Ledger Balance was \$8,650 off. The second was a comparison between

the Utility Accounts Deposit total vs. the balance on the General Ledgers was off by approximately \$1,000 in gas and \$4,100 in water. He recommended that this be monitored monthly and the difference resolved. Recorder Garland had already agreed with these recommendations and steps were being taken to resolve these matters. Mr. Hewitt commended Recorder Garland and the entire city hall/utility staff for their performance. There were no questions from the board and Mr. Hewitt was thanked for his service.

The next item of business was to consider adoption of a resolution supporting the completion of the Memphis Mega-Site in Haywood County. The resolution was forwarded to the city and highly recommended for passage by the Southwest Tennessee Development District. It is estimated that approximately \$70 million is needed from the State of Tennessee to complete the development of this industrial site. These resolutions were to be forwarded to all members of the Tennessee Legislature asking for their support of the funding needed to complete the site. If completed, this site could provide a major economic boost to all of West Tennessee. The resolution reads as follows:

**RESOLUTION NO. 2017-007**

**Memphis Regional Megasite Resolution**

Whereas the Memphis Regional Megasite is located in Haywood County in rural West Tennessee and,

Whereas the Memphis Regional Megasite has 4,100 acres of prime industrial real estate less than an hour from Jackson and Memphis and,

Whereas the State Department of Economic and Community Development has estimated that the Memphis Regional Megasite could generate 34,000 jobs, \$2.6 billion in capital investment, and \$7.6 billion in economic output and,

Whereas the State Department of Economic and Community Development estimates that development of the Memphis Regional Megasite could result in 10,000 direct jobs and an additional 24,000 indirect jobs and,

Whereas site selectors for major original equipment manufacturers (OEM) have deemed the Memphis Regional Megasite not “shovel ready” for commitment from major OEM’s and,

Whereas rural West Tennessee lags behind the rest of the state in unemployment, poverty, and per capita income and,

Whereas an additional appropriation is needed from the State of Tennessee General Assembly to bring the Memphis Regional Megasite into a “shovel ready” status,

Be it resolved by the City of Henderson Board of Mayor and Aldermen that this resolution has been adopted and forwarded to our state legislative delegation to show our complete support of an additional “shovel ready” appropriation for the Memphis Regional Megasite in the fiscal year 2018-2019 budget.

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Motion was made by Ald. Barber, duly 2<sup>nd</sup> by Ald. Butler to adopt Resolution No. 2017-007 as prepared above. Upon a roll call vote the following was cast:

Ayes: Mark A. Barber, Donna R. Butler, Johny R. Farris, Buel Maness,  
Michael Phelps and Keith Smith.

Noes: None.

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Therefore Mayor King declared Resolution 2017-007 duly adopted and that it be forwarded by the members of the State Legislature.

Mayor King advised the board that the terms of Bobby Moten on the Planning Commission, Charles McNatt on the Board of Zoning Appeals and Dwain Seaton and Neal Smith on the Industrial Development Board were expiring at the end of the year. A detailed report of the membership on each of the boards was included in the member's packets. Mayor King recommended the reappointment of the four members above to another term on their respective boards. Motion was made by Ald. Butler, duly 2<sup>nd</sup> by Ald. Smith to approve Mayor's King's recommendation and reappoint Mr. Moten, Mr. McNatt, Mr. Smith and Mr. Seaton. Motion carried.

City Attorney Jerry Spore addressed the board pertaining to a matter involving Premier Manufacturing Co. dumping wastewater into the city sewer system that exceeded their permit requirements. The city's attorneys had been working with Premier's legal counsel for some time pertaining to this matter. The background information Mr. Spore provided was that Premier, as part of their manufacturing process, has wastewater that has to go through a pre-treatment process within their operation before it meets standards where the city can accept it into our sewer system. There was an incident back in the later part of 2014 and 2015 where the zinc levels were increasing in the North Lagoon and this was later tracked to Premier Mfg. Their pre-treatment process was unable to handle the amount of zinc produced and therefore the zinc passed through or totally bypassed their system. After Premier was informed of the situation, they reacted to resolve this issue. They added additional 30,000 sq ft onto their facility with some of the addition specifically designed to house a higher capacity pre-treatment process for their wastewater. Since these improvements, they have been in compliance with their permit. To resolve the zinc issues in the North Lagoon, the city embarked on the process of dredging the lagoon of the solid material. Due to the high levels of zinc, this matter could not be disposed of in anyway other than in a landfill. This increased the overall cost of the project. During lengthy negotiations with Premier pertaining to penalties, legal fees and costs associated with this process, the final proposal of Premier Mfg. was to reimburse the city a total of \$253,000 with 50% being paid upon signing the settlement agreements with the remaining 50% being paid in 48 monthly installments as a surcharge on their sewer bill.

Board members have been informed of the ongoing status of this matter during attorney/client meetings. They have been informed of the process in which the city could file this matter through an enforcement process that would end with chancery court and ask for a different amount vs. the proposal of Premier. As with all litigation, there are a lot of factors that come into play with litigating this type of claim and these have been discussed with Mayor King, UD Green and the members of the board.

With all this said; Attorney Spore felt that the proposal from Premier was fair and that the board needs to consider it if this is the best resolution to the matter. The final decision was the board's to make. Attorney Spore did recommend that all installment payments should become due if Premier was to cease operations or sold the facility.

With the board members having been informed of the matter for many months there were no specific questions pertaining to the proposal. Motion was made by Ald. Farris, duly 2<sup>nd</sup> by Ald. Maness to approve the settlement of this matter with Premier Manufacturing Co. for a total of \$253,000 with 50% being paid at settlement, the remaining 50% being paid in 48 monthly installments as a surcharge on their sewer bill and that all installment payments would become immediately due if Premier was to cease operations or sold the facility. Motion carried.

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Building Official Brent Beshires advised the board that he had received a copy of the building plans from Dr. Carey Frix that he was proposing to construct on his lot at US Hwy 45 and White Ave. If any member was interested, they could review the plans.

Building Official Beshires also advised the board he had received a letter from the Fire Marshall's Office that the city's adopted Residential Code was soon going to be obsolete. State Regulations require that all codes be within 7 years of the newly adopted code. The city currently has the 2009 Residential Code adopted. The new 2018 Residential Code was passed within the last two months by ICC and replaced the 2015 Code therefore the city is out of date. He informed the board that he would bring forth an ordinance within the next couple of months either adopting the 2012, 2015 or 2018 Residential Code depending on the one that best meets our needs. Any one of these will have the city in compliance with state law but the older codes would have to be replaced sooner.

UD Green reported that recommendation on the repair of Water Well #10 was to completely replace the entire assembly with a plastic/PCV type system to stop the corrosion issues that are causing the well to fail after only 3 to 4 years of service. The total cost will be \$76,055. UD Green had discussed this with the individual members prior to the meeting. No motion was needed on this matter.

Police Chief Cleveland spoke of the meeting the department was holding concerning Active Shooters for the local churches. He was unable to attend due to a personal matter but showed his appreciation to Sergeant Hardy, Officer Carter and other members of his department for holding the session. He also thanked the Fire Department and EMS for their help. They have a second meeting this Monday.

Chief Cleveland reported that a "Large Agency" was willing to donate a Drug Dog to the department. To purchase a trained dog would cost \$6,000 to \$9,000 so this is a huge benefit. The dog is 6 years old and the ongoing cost to the department would be approximately \$1,000 per year from the Drug Fund.

Ald. Smith asked if the additional clerk had been hired. Recorder Garland stated that interviews have not begun for this position.

Ald. Smith also put forth the idea of using the utility bill mailing single page insert to notify residents on city programs such as recycling, leaf pickup dates, etc. It could also be used for city employee recognition. Other departments could use it for programs such as Child Safety Seats, Smoke Detector/Fire Safety, etc. This would be discussed along with related cost at another time.

Ald. Butler reported that due to an upcoming surgery, she would be unable to attend the January Meeting. She should be able to return by February.

There being no other business, motion was made by Ald. Butler, duly 2<sup>nd</sup> by Ald. Barber to adjourn. Motion carried.

Signed: Robert W. King

APPROVED: \_\_\_\_\_

MAYOR

ATTEST: Signed: Jim E. Garland

\_\_\_\_\_, CITY RECORDER

MINUTES  
OF THE  
HENDERSON BEER BOARD

DECEMBER 14, 2017  
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The Beer Board of the City of Henderson, Tennessee met in regular session on Thursday, December 14, 2017 at 7:00 P.M. immediately following the regular meeting of the City Board in the Council Chamber of the City of Henderson City Hall. There present and presiding, was Robert W. King, Chairman and the following:

Members Present: Mark A. Barber, Donna R. Butler, Johny R. Farris,  
Buel Maness, Keith Smith and Michael Phelps.  
Member(s) Absent: None.

There also present were: City Attorney Jerry Spore, City Recorder Jim E. Garland and Police Chief Wilton Cleveland.

The only item on the agenda was to consider an application by Naji Qayed Alnajjar, owner of BM Express1, Inc. for Retail Sales of Packaged Beer at 245 W. Main Street. Mr. Alnajjar was present at the meeting. Mr. Naji Qayed Alnajjar is the father of the previous owner/permit holder Tamman Naji Alnajjar whose permit was revoked effective December 31<sup>st</sup> by the Beer Board at the November Meeting for being convicted of three felonies. Mr. Tamman Naji Alnajjar was also present.

Police Chief Cleveland reported that a background check of Mr. Naji Qayed Alnajjar resulted in no record being found that would prevent him from holding a beer permit.

Ald. Butler clarified the father/son relationship as well as determined that they both resided at 568 Woods Drive. The question arose of the permit application being in the individual's name or the corporation. Recorder Garland reported that the TN Secretary of State's Charter Form was included with the application. Regular practice of the city was if a business is incorporated, the permit is issued to the corporation. Ownership of the facility is still in the name of Bull Market and Gene Maness. Ald. Smith asked Mr. Naji Qayed Alnajjar how many shares he owned in the corporation. His son answered for Mr. Naji Qayed Alnajjar stating Mr. Naji Qayed Alnajjar owned 100% of the shares. Attorney Spore stated that Question #2 on the application asked to list all owners of 5% or more in the business. This question was left blank and he wanted confirmation that Mr. Naji Qayed Alnajjar did own 100% of the business.

Mayor King expressed his concern that it appears that since Mr. Tamman Naji Alnajjar got in trouble with the law and therefore had his beer permit revoked, the business now transfers to the father. There is a concern that the running of the business will never change and no one really is penalized for the felony convictions. Attorney Spore and Chief Cleveland both stated that they knew of no reason why a convicted felon could not work there and sell beer. Ald. Smith asked if the ownership of the corporation were to change, would they have report this to the city and would a new beer permit have to be issued. Attorney Spore stated he would have to research this question.

Motion was made by Ald. Farris, duly 2<sup>nd</sup> by Ald. Butler to table this application until January meeting to allow for further research into the issues related to this application. Motion carried.

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Under previous action of the beer board, Mr. Tamman Naji Alnajjar could continue to sell beer at this location under his permit until December 31, 2017. After that, no beer sales could take place until further action by the beer board.

There being no other business, motion by Ald. Farris, duly 2<sup>nd</sup> by Ald. Smith, the meeting be adjourned. Motion carried.

Signed: Robert W. King

APPROVED: \_\_\_\_\_

CHAIRMAN

Signed: Jim E. Garland

ATTEST: \_\_\_\_\_

CITY RECORDER