

**Knoxville Utilities Board
Board Meeting
Minutes
Thursday, November 16, 2017, Noon**

Call to Order

The Knoxville Utilities Board met in regular session in the Larry A. Fleming Board Room at 445 S. Gay Street, on Thursday, November 16, 2017, pursuant to the public notice published in the January 7, 2017, edition of the *News Sentinel*. Chair Herbert called the meeting to order at 12:00 p.m.

Roll Call

Commissioners Present: Jerry Askew, Kathy Hamilton, Celeste Herbert, Sara Pinnell, Nikitia Thompson, and John Worden

Commissioners Absent: Tyvi Small

Approval of Minutes

The Minutes of the October 19, 2017, Board Meeting were approved as distributed upon a motion by Commissioner Thompson and seconded by Commissioner Worden.

Old Business

None

New Business

Resolution 1371, A Resolution Authorizing the Transfer of Property of the Wastewater Division Located on Pelham Road to an Adjacent Property Owner

President Roach recognized Julie Childers, Vice President of Water/Wastewater Engineering, for a presentation on property that KUB would like to declare surplus in order to proceed with construction of a new pump station at a nearby site.

President Roach recommended adoption of Resolution 1371 on first and final reading. Her written recommendation is included in Attachment 1.

November 16, 2017

Upon a motion by Commissioner Askew and a second by Commissioner Hamilton, Resolution 1371 (*Attachment 1*) was adopted by a roll call vote on first and final reading. The following Commissioners voted "aye": Askew, Hamilton, Herbert, Pinnell, Thompson, and Worden. No Commissioner voted "nay".

President's Report

Natural Gas Supply/Winter Update

President Roach reminded Commissioners that we provide an update each fall on KUB's compliance with natural gas purchasing requirements and projected winter energy bills. She recognized Sherri Ottinger, Manager of Rates and Analytical Services, for this year's update.

Community Outreach Update

President Roach recognized Leslye Hartsell, Manager of Communications and Community Relations, to provide an update on KUB Cares and community outreach initiatives over the last year.

Depot Avenue Water Transmission Line Project

President Roach recognized Billie Jo McCarley, Manager of Water Systems Engineering, to provide the details of an upcoming major water transmission line project on Depot Avenue.

Other Business

None

Adjournment

There being nothing further to come before the Board, Chair Herbert declared the meeting adjourned at 12:47 p.m.



Celeste Herbert, Chair



Mark Walker, Board Secretary

Attachments

Attachment 1	Recommendation Letter and Resolution 1371, A Resolution Authorizing the Transfer of Property of the Wastewater Division Located on Pelham Road to an Adjacent Property Owner	<u>Page(s)</u> 8996 – 8998
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Knoxville Utilities Board

November 10, 2017

Knoxville Utilities Board
445 S. Gay Street
Knoxville, Tennessee 37902-1109

Commissioners:

KUB's Wastewater Division owns approximately 273 square feet of land on Pelham Road, which is the site of one of KUB's older wastewater pump stations. During the planning stage for Century II capital improvements at that station, we realized that an upgraded pump station would not fit on that site. Therefore, a nearby location was sought for a new pump station.

The adjacent property owner is interested in acquiring the existing pump station site to facilitate future development. In exchange, he is willing to provide an easement on another of his nearby properties to build the new pump station.

State law and the bond resolutions of the Wastewater Division authorize the disposition of any real property of the wastewater system which the Board has determined to be no longer useful and necessary for the operation of the system. After consultation with Staff, I have determined that the 273 square feet site of the existing pump station will not be useful or necessary for the continued operation of the wastewater system and is not needed by any other KUB system, once the new pump station is built.

Through Resolution 1371, which is attached for your information, the Board will approve the transfer KUB's Pelham Road wastewater pump station property to the adjacent property owner, once the new pump station is complete. I recommend adoption of Resolution 1371.

Respectfully submitted,

A handwritten signature in cursive script that reads 'Mintha E. Roach'.

Mintha E. Roach
President and CEO

RESOLUTION NO. 1371

A Resolution Authorizing the Transfer of Property of the Wastewater Division Located on Pelham Road to an Adjacent Property Owner

Whereas, By deed dated October 27, 1970, of record in Deed Book 1440, Page 546, Instrument Number 197010300010479, the City of Knoxville, Tennessee ("City") obtained fee simple ownership to certain real estate, located on Pelham Road, Knoxville, Tennessee, consisting of approximately 272.54 square feet of land and various appurtenances (the "Property"), where KUB's Pelham Road wastewater pump station is located; and

Whereas, by public referendum in 1986, the Wastewater Control System of the City of Knoxville, including the assets for management and operation of the system, were transferred by the City to KUB and since acquiring the wastewater system from the City, KUB has operated and maintained the Pelham Road Pump Station; and

Whereas, KUB now seeks to replace the Pelham Road Pump Station with a larger capacity pumping station on a nearby site that is more suitable for KUB's current and future needs, and

Whereas, the adjacent property owner, Tennessee Land Investment Properties, Inc., (TLIP) seeks to acquire from KUB the Property, approximately 272.54 square feet in size, and which is surrounded by other property owned by TLIP; and

Whereas, the Property, given its size and location, has no marketable value except to TLIP; and

Whereas, KUB, pursuant to Article XI, section 1106(D) and (T) of the Charter of the City of Knoxville and KUB's Procurement Procedures, has the authority, subject to the applicable provisions of any bonds or contracts, to transfer title of surplus real property or any right or interest in such property in connection with the operation of its wastewater system; and

Whereas, pursuant to Section VII of KUB's Procurement Procedures, the President and CEO or her designee may dispose of the Property in a manner that is in the best interest of KUB; and

Whereas, the Property is not useful and necessary for the continued operation of the wastewater system substantially as it will exist after the pumping station is rebuilt at another site, and has no potential use by any other KUB system; and

Whereas, pursuant to Section VII of the KUB Procurement Procedures the President and CEO has determined that the Property is not needed by the wastewater system or any other KUB system; and

Whereas, the bond resolutions for the KUB Wastewater Division authorize the disposal of property of the wastewater system which the KUB Board of Commissioners (the "Board") determines to be no longer necessary and useful in the operation thereof.

Now, Therefore, Be It Hereby Resolved by the Board of Commissioners of the Knoxville Utilities Board:

Section 1. That the Property is not useful and necessary to the continued safe, efficient and economic operation of the KUB wastewater system, nor is it needed for the operation of any other KUB system.

Section 2. That it is in the best interest of KUB and the Wastewater Division to transfer the Property to TLIP.

Section 3. That the President and Chief Executive Officer or her authorized designee be, and hereby is, authorized and directed to transfer the Property in a manner consistent with KUB's Procurement Procedures and state law, to execute a deed for the transfer of the Property and to do all things that the President and CEO or her designee deems reasonable and necessary to effectuate such transfer.

Section 4. That this Resolution shall take effect upon its passage.

Celeste Herbert/s
Celeste Herbert, Chair

Mark Walker/s
Mark Walker, Board Secretary

APPROVED ON 1st
& FINAL READING: 11-16-17
EFFECTIVE DATE: 11-16-17
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