

Minutes of the Regular Work Session of the
Board of Mayor and Aldermen, City of Kingsport, Tennessee
Monday, May 14, 2012, 4:30 PM
Council Room – City Hall

PRESENT: Board of Mayor and Aldermen

Mayor Dennis Phillips
Alderman John Clark
Alderman Valerie Joh

Alderman Mike McIntire
(left at 7:10 p.m.)
Vice-Mayor Tom C. Parham
Alderman Tom Segelhorst

City Administration

John G. Campbell, City Manager
J. Michael Billingsley, City Attorney
James H. Demming, City Recorder

1. **CALL TO ORDER:** 4:30 p.m. by Mayor Phillips.
 2. **ROLL CALL:** By Deputy City Recorder Marshall. Absent: Alderman Jantry Shupe.
 3. **WORK SESSION TICKLER.** Mayor Phillips stated the fire station could be removed.
 4. **AQUATIC CENTER UPDATE.** Mr. Frank Brewer provided an update on this project, noting that activity can now be seen from the highway. He discussed upcoming milestones and stated the project was on budget. He further stated that although the construction was two weeks behind, the center should still be finished on time, if not earlier.
 5. **KINGSPORT CITY SCHOOLS UPDATE.** Superintendent Lyle Ailshie gave a brief update on the schools, noting the recent completion of TCAP (Tennessee Comprehensive Assessment Program) testing. Dr. Ailshie discussed the STEM school, pointing out 180 applications have already been received. He also commented on the budget, noting that although the effort is being made to make cuts and adjustments, they will still be short. Agenda Item VI.D.7 was discussed at this time with City Attorney Billingsley and Dr. Ailshie providing details.
 6. **REVIEW OF CITY OWNED PROPERTY.** Economic Development Planner Jeanette Scalf gave a presentation highlighting city owned properties that have no foreseeable use by any city department. She noted that although the city owns three hundred and eighty five parcels, only thirty-five were classified with no use. Ms. Scalf also pointed out the difference between parcels and properties, noting that several parcels can make up one property. The Mayor requested a list of all city owned parcels for the Board to look at.
- NOTE:** To accommodate those in the audience, Agenda Items VI.D 8, VI.D.9 and VI.D.10 from the regular business meeting agenda were discussed at this time.
7. **NETHERLAND INN ROUNDABOUT UPDATE.** Public Works Director Ryan McReynolds discussed the action plan for this project, noting the work would start in June and the intersection would be down for forty-five days.
(Note: Alderman McIntire left after this update.)

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8. REGIONAL BICYCLE AND PEDESTRIAN PLAN PRESENTATION. Item deferred.

9. REVIEW OF AGENDA ITEMS ON THE MAY 15, 2012 REGULAR BUSINESS MEETING AGENDA. City Manager Campbell, members of staff and community members provided a summary or presentation for each item on the proposed agenda. Those items the Board discussed at greater length or which received specific questions or concerns included:

VI.AA.1 Public Hearing and Consideration of Ordinances to Annex/Amend Zoning of the Emory Church Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 114-2012). City Planner Weems provided details on this and the following item, noting that both annexations were requested and there has been no opposition.

VI.AA.2 Public Hearing and Consideration of Ordinances to Annex/Amend Zoning of the Grandview Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 115-2012). See Item VI.AA.1.

VI.B.7 Consideration of an Ordinance Repealing Ordinance No. 6156 Pertaining to Synthetic Drugs (AF: 140-2012). City Attorney Billingsley pointed out that the State of Tennessee had enacted two statutes that supersede the law passed by the Board. He further stated it should therefore be removed from the books.

VI.D.7 Consideration of a Resolution Approving a Subgrant Agreement with Battelle Memorial Institute and the Sullivan County Department of Education for the NE STEM Platform School (AF: 139-2012). City Attorney Billingsley provided details on this item and answered questions from the Board along with Superintendent Ailshie. Mr. Billingsley noted that the city would be a sub-recipient of this grant and that the federal funding would go away at some point.

VI.D.8 Consideration of a Detailed Bond Resolution Authorizing the Issuance of Not to Exceed \$10,950,000 General Obligation Refunding Bonds of the City of Kingsport, Tennessee (AF: 146-2012). Mr. Rick Dulaney, financial advisor from the office of Morgan Keegan in Nashville, provided information on this item, noting the benefits of going from a higher rate to a lower rate.

VI.D.9 Consideration of Initial and Detailed Bond Resolutions Authorizing the Issuance of General Obligation Bonds (Aquatic Center) in an Amount Not to Exceed \$4,600,000 (AF: 148-2012). Mr. Rick Dulaney provided details on this type of bond, noting it was a private qualified activity bond. Mayor Phillips voiced concerns over issuing more bonds above the three million dollars that have already been committed. City Manager Campbell stated there is not another bond issue scheduled until 2013 and pointed out the Visitor's Enhancement Program is planning to match the additional financing of one point six million dollars from the hotel/motel tax. He further noted that the four point six million dollars was only an amount not to exceed. City Recorder Demming confirmed there have been other instances where the full amount was not financed. There was considerable discussion.

VI.D.10 Consideration of Initial and Detailed Bond Resolutions Authorizing the Issuance of General Obligation Public Improvement Bonds in an Amount Not to

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Exceed \$11,750,000 (AF: 149-2012). City Manager Campbell provided information on this item. Alderman McIntire stated he would like to see this amount reduced although Vice-Mayor Parham pointed out that most of these projects were needed. Alderman Joh noted the city was still below the acceptable ten percent debt level. There was considerable discussion. Mayor Phillips requested a new policy be established that would only allow for spending what was actually rolling off in debt, with the only exception being the Border Regions area where an unexpected opportunity may arise. The Mayor also requested the City Manager provide prospective new project lists for the Board's consideration by taking out two million dollars, four millions dollars and six million dollars before the business meeting tomorrow night.

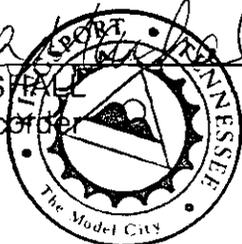
BOARD COMMENT. None.

PUBLIC COMMENT. None.

10. ADJOURN. Seeing no other matters presented for discussion at this work session, Mayor Phillips adjourned the meeting at 7:20 p.m.



ANGELA MARSHALL
Deputy City Recorder





DENNIS R. PHILLIPS
Mayor