

Minutes of the Regular Business Meeting of the
Board of Mayor and Aldermen of the City of Kingsport, Tennessee
Tuesday, August 5, 2008, 7:00 PM
Large Court Room – City Hall

PRESENT:

Board of Mayor and Aldermen

Mayor Dennis R. Phillips, Presiding
Alderman Valerie Joh
Vice-Mayor Benjamin K. Mallicote
Alderman Charles K. Marsh, Jr.

Alderman Larry A. Munsey
Alderman Patrick W. Shull
Alderman Jantry Shupe

City Administration

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

- I. **CALL TO ORDER:** 7:00 p.m., by Mayor Dennis R. Phillips.
- II.A. **PLEDGE OF ALLEGIANCE TO THE FLAG:** Led by Kingsport Police Chief Gale Osborne.
- II.B. **INVOCATION:** by Pastor Mike Beverly of the Indian Springs Christian Church.
- III. **ROLL CALL:** By City Recorder Jim Demming.
- IV. **RECOGNITIONS AND PRESENTATIONS.** None.
- V. **APPROVAL OF MINUTES.**

Motion/Second: Munsey/Mallicote, to approve minutes for the following meetings:

- A. July 14, 2008 Regular Work Sessions
- B. July 15, 2008 Regular Business Meeting
- C. July 30, 2008 Special Called Business Meeting

Approved: All present voting "aye."

VI. **COMMUNITY INTEREST ITEMS.**

AA. **PUBLIC HEARINGS.**

1. **Public Hearing and Consideration of Ordinances to Annex/Amend Zoning of the Pierson Property and Consideration of a Resolution Adopting the Plan of Services (AF: 207-2008).**

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Motion/Second: Marsh/Shull, to pass, as amended:

AN ORDINANCE TO ANNEX THAT CERTAIN TERRITORY ADJOINING THE PRESENT CORPORATE BOUNDARIES OF THE CITY OF KINGSFORT, EMBRACING THAT CERTAIN PART OF THE 13TH CIVIL DISTRICT OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE PIERSON ANNEXATION, AS HEREINAFTER DESCRIBED; TO INCORPORATE THE SAME WITHIN THE CORPORATE BOUNDARIES OF THE CITY OF KINGSFORT, TENNESSEE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

Motion/Second: Marsh/Joh, to pass:

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG COX HOLLOW ROAD KNOWN AS THE PIERSON ANNEXATION TO R-1B SINGLE FAMILY RESIDENTIAL DISTRICT, IN THE 13TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

Motion/Second: Marsh/Mallicote, to pass:

Resolution No. 2009-037, A RESOLUTION ADOPTING A PLAN OF SERVICES FOR THE PIERSON ANNEXATION OF THE CITY OF KINGSFORT, TENNESSEE

Passed: All present voting "aye."

PUBLIC COMMENT ON ITEM VI.AA.1. None.

2. Public Hearing and Consideration of Ordinances to Annex/Amend Zoning of the Willey Property and Consideration of a Resolution Adopting the Plan of Services (AF: 215-2008).

Motion/Second: Marsh/Shull, to pass, as amended:

AN ORDINANCE TO ANNEX THAT CERTAIN TERRITORY ADJOINING THE PRESENT CORPORATE BOUNDARIES OF THE CITY OF KINGSFORT, EMBRACING THAT CERTAIN PART OF THE 13TH CIVIL DISTRICT OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE WILLEY ANNEXATION, AS HEREINAFTER DESCRIBED; TO INCORPORATE THE SAME WITHIN THE CORPORATE BOUNDARIES OF THE CITY OF KINGSFORT, TENNESSEE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

Motion/Second: Marsh/Joh, to pass:

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG COX HOLLOW ROAD KNOWN AS THE WILLEY ANNEXATION TO R-1B SINGLE FAMILY RESIDENTIAL DISTRICT, IN THE 13TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION

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OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE
Passed on first reading: All present voting "aye."

Motion/Second: Marsh/Joh, to pass:

Resolution No. 2009-038, A RESOLUTION ADOPTING A PLAN OF SERVICES FOR THE WILLEY ANNEXATION OF THE CITY OF KINGSPORT, TENNESSEE

Passed: All present voting "aye."

PUBLIC COMMENT ON ITEM VI.AA.2. None.

3. Public Hearing and Consideration of Ordinances to Annex/Amend Zoning of the Voluntary Rock Springs South Area #6 Property and Consideration of a Resolution Adopting the Plan of Services (AF: 217-2008).

Motion/Second: Marsh/Shull, to pass:

AN ORDINANCE TO ANNEX THAT CERTAIN TERRITORY ADJOINING THE PRESENT CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, EMBRACING THAT CERTAIN PART OF THE 13TH CIVIL DISTRICT OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE VOLUNTARY ROCK SPRINGS SOUTH AREA #6 ANNEXATIONS, AS HEREINAFTER DESCRIBED; TO INCORPORATE THE SAME WITHIN THE CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, TENNESSEE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

Motion/Second: Marsh/Joh, to pass:

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG WESTFIELD PLACE AND COX HOLLOW ROAD KNOWN AS THE VOLUNTARY ROCK SPRINGS SOUTH AREA #6 ANNEXATIONS TO R-1B SINGLE FAMILY RESIDENTIAL DISTRICT, IN THE 13TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

Motion/Second: Marsh/Mallicote, to pass:

Resolution No. 2009-039, A RESOLUTION ADOPTING A PLAN OF SERVICES FOR THE VOLUNTARY ROCK SPRINGS SOUTH AREA #6 ANNEXATIONS OF THE CITY OF KINGSPORT, TENNESSEE

Passed: All present voting "aye."

At this point, Alderman Marsh requested that City staff research the economics and practicality of installing street lights with solar panels.

A. PUBLIC COMMENT. Mayor Phillips invited citizens in attendance to speak about any of the remaining agenda items. There being no one coming forward to speak, the Mayor closed the public comment segment.

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B. BUSINESS MATTERS REQUIRING FIRST READING.

1. Consideration of an Ordinance to Amend the General Project Fund, Drug Fund, Federal Transit Fund and the Sewer Project Fund Budgets (AF: 228-2008).

Motion/Second: Munsey/Shupe, to pass:

AN ORDINANCE TO AMEND THE GENERAL PROJECT FUND, URBAN MASS TRANSIT FUND, SEWER PROJECT FUNDS AND THE GENERAL FUND BUDGETS BY TRANSFERRING FUNDS FROM OTHER PROJECTS FOR THE FISCAL YEAR ENDING JUNE 30, 2008; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

2. Consideration of a Resolution to Authorize the Mayor to Sign all Documents Necessary to Enter into a Materials Agreement with Rob McLean Related to Anchor Pointe – Topsail Court and an Ordinance to Appropriate Funds (AF: 249-2008).

Motion/Second: Joh/Shupe, to pass:

Resolution 2009-040, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A MATERIALS AGREEMENT WITH ROB MCLEAN FOR THE PROVISION OF CERTAIN WATER AND SEWER MATERIALS BY THE CITY FOR ANCHOR POINTE-TOPSAIL COURT SUBDIVISION

Passed: All present voting "aye."

Motion/Second: Joh/Munsey, to pass:

AN ORDINANCE TO AMEND THE WATER AND SEWER PROJECT FUNDS BY TRANSFERRING FUNDS TO THE ANCHOR POINT MATERIALS AGREEMENT PROJECT (WA0857); AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

3. Consideration of an Ordinance to Amend the Sewer Project Fund and the Sewer Fund Budgets (AF: 257-2008).

Motion/Second: Munsey/Mallicote, to pass:

AN ORDINANCE TO AMEND THE SEWER FUND BUDGET AND BY TRANSFERRING FUNDS TO THE SEWER PROJECT FUND BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2008; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

4. Consideration of an Ordinance to Amend the Water Project Fund Budget by Appropriating Tennessee Municipal Bond Fund Series 2008 (AF: 259-2008). Public Works Director Ryan McReynolds provided details, figures and reasoning behind this bond appropriation. Alderman Munsey explained that, as a result

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of last night's work session discussion, the Board had become comfortable with this particular variable rate loan, instead of a fixed rate, because it was based upon a low portfolio in proportion to the City's total debt.

Alderman Marsh further summarized this meter update by stating it is based upon replacing around 36,000 City water meters in the current system with new meters that are radio-read either from a fixed location or traveling vehicle and was supported by the BMA because of three selling points: 1) new meters are guaranteed for 20 years; 2) there is ultimately no cost to the City; and 3) does not require a rate increase as a result of funding. He further explained that the lease purchase arrangement originally presented would not show up as debt on the City books, but a lease purchase could not be worked out so this bond issuance was an attractive, long-term alternative. Although, roughly \$10 million will now be shown as debt, there appears to be a very secure stream of savings to offset that debt over the life of this purchase.

Further Board discussion covered how the guaranteed benefits would accumulate from year to year, the length of time involved in initial meter installation/replacement, savings anticipated from installation and use of the passive leak detection system, and savings through elimination of water meter reading positions that will no longer be needed, as well as increased accuracy through radio-read input.

Mayor Phillips finalized dialogue on this item by stating the City is planning to borrow \$9.6 million and, over 17 years, the anticipated savings is \$20 million. He added that this project is a good example where borrowing money makes sense.

Motion/Second: Joh/Mallicote, to pass:

AN ORDINANCE TO AMEND THE WATER FUND AND THE WATER PROJECT FUND BUDGETS BY APPROPRIATING TENNESSEE MUNICIPAL BOND FUND, SERIES 2008; FOR THE FISCAL YEAR ENDING JUNE 30, 2009; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

C. BUSINESS MATTERS REQUIRING FINAL ADOPTION.

1. Consideration of Ordinances to Annex/Amend Zoning of the Remaining Portion of the Rock Springs South #7 Annexation Area (AF: 193-2008).

Motion/Second: Mallicote/Joh, to amend the annexation ordinance as follows:

REVISE THE DESCRIPTION OF THE PROPERTY TO BE ANNEXED IN SECTION I BY DELETING FROM THE DESCRIPTION THE PROPERTY OWNED BY MR. AND MRS. LARRY WILLIAMS AT 203 KANAN DRIVE, WHO HAVE PETITIONED FOR ANNEXATION, AND BY DELETING SECTION II AND RENUMBERING SECTION III

Passed in a roll call vote: Joh, Mallicote, Marsh, Munsey, Shull, Shupe and Phillips voting "aye."

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Motion/Second: Marsh/Shull, to pass, as amended:

ORDINANCE NO. 5720, AN ORDINANCE TO ANNEX THAT CERTAIN TERRITORY ADJOINING THE PRESENT CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, EMBRACING THAT CERTAIN PART OF THE 13TH CIVIL DISTRICT OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE REMAINING ROCK SPRINGS SOUTH AREA #7 ANNEXATION, AS HEREINAFTER DESCRIBED; TO INCORPORATE THE SAME WITHIN THE CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, TENNESSEE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Shull, Shupe and Phillips voting "aye."

Motion/Second: Mallicote/Joh, to amend the zoning ordinance as follows:

REVISE THE DESCRIPTION OF THE PROPERTY TO BE ZONED BY DELETING FROM THE DESCRIPTION THE PROPERTY OWNED BY MR. AND MRS. LARRY WILLIAMS AT 203 KANAN DRIVE, WHO HAVE PETITIONED FOR ANNEXATION

Passed in a roll call vote: Joh, Mallicote, Marsh, Munsey, Shull, Shupe and Phillips voting "aye."

Motion/Second: Munsey/Shupe, to pass:

ORDINANCE NO. 5721, AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG ROCK SPRINGS ROAD KNOWN AS THE REMAINING ROCK SPRINGS SOUTH AREA #7 ANNEXATION TO R-1B SINGLE FAMILY RESIDENTIAL DISTRICT, IN THE 13TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Shull, Shupe and Phillips voting "aye."

Motion/Second: Mallicote/Shupe, to pass:

Resolution 2009-059, A RESOLUTION AMENDING THE DESCRIPTION IN RESOLUTION NO. 2009-023 APPROVING THE PLAN OF SERVICES FOR ROCK SPRINGS SOUTH AREA #7 ANNEXATION OF THE CITY OF KINGSPORT, TENNESSEE

Passed: All present voting "aye."

2. Consideration of Ordinances to Annex/Amend Zoning of the Remaining Portion of the Rock Springs South #8 Annexation Area (AF: 194-2008).

Motion/Second: Joh/Mallicote, to pass:

ORDINANCE NO. 5722, AN ORDINANCE TO ANNEX THAT CERTAIN TERRITORY ADJOINING THE PRESENT CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, EMBRACING THAT CERTAIN PART OF THE 13TH CIVIL DISTRICT OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE REMAINING ROCK SPRINGS SOUTH AREA #8 ANNEXATION, AS HEREINAFTER DESCRIBED; TO INCORPORATE THE SAME WITHIN THE CORPORATE BOUNDARIES OF THE CITY

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OF KINGSPORT, TENNESSEE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Marsh, Mallicote, Munsey, Shull, Shupe and Phillips voting "aye."

Motion/Second: Marsh/Joh, to pass:

ORDINANCE NO. 5723, AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG ROCK SPRINGS ROAD KNOWN AS THE ROCK SPRINGS SOUTH AREA #8 ANNEXATION TO R-1B SINGLE FAMILY RESIDENTIAL DISTRICT, IN THE 13TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE.

Passed on second reading in a roll call vote: Joh, Marsh, Mallicote, Munsey, Shull, Shupe and Phillips voting "aye."

D. OTHER BUSINESS.

1. Consideration of a Resolution Authorizing the Mayor to Execute All Documents Necessary and Proper for the Purchase of Property Located at 1206 Gibson Mill Road (AF: 234-2008).

Motion/Second: Marsh/Shupe, to pass:

Resolution No. 2009-041, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER FOR THE PURCHASE OF PROPERTY LOCATED AT 1206 GIBSON MILL ROAD

Passed: All present voting "aye."

2. Consideration of a Resolution to Accept Deeds and Deeds of Easement for Various City Projects (AF: 235-2008).

Motion/Second: Munsey/Joh, to pass:

Resolution No. 2009-042, A RESOLUTION TO ACCEPT DEEDS, DEEDS OF EASEMENT, AND OTHER MUNIMENT OF TITLE FROM THE VARIOUS PROPERTY OWNERS AND OTHERS HAVING AN INTEREST IN PROPERTY AS HEREINAFTER SET OUT, CONVEYING TO THE CITY OF KINGSPORT, A MUNICIPAL CORPORATION OF THE STATE OF TENNESSEE, TITLE TO THE PROPERTY DESCRIBED IN SUCH DEEDS, DEEDS OF EASEMENT, AND OTHER MUNIMENT OF TITLE, LOCATED IN THE 7TH, 10TH, 11TH, 12TH, 13TH AND 15TH CIVIL DISTRICTS OF SULLIVAN COUNTY, TENNESSEE AND THE 7TH CIVIL DISTRICT OF HAWKINS COUNTY, TENNESSEE

Passed: All present voting "aye."

3. Consideration of a Resolution to Approve the Offer and Authorize the Mayor to Execute all Documents Necessary for the Acquisition of Property Located at 2320 Overlook Road for the Kingsport City School System

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(AF: 238 -2008). In response to concerns expressed by Alderman Shull about the status of Sullivan County schools and the effect on the City, City Manager Campbell indicated that he had recently spoken with Sullivan County Mayor Steve Godsey about the results of a Sullivan County school study, which results will be very important to County residents regarding long-term school status. He shared that the county has about 28 schools, with a need for around 20 to 22, with certain schools experiencing overcrowding and others being underutilized. He believes the results of the study, once available, will address these issues and provide valuable information to the City in working with the county on the school situation.

Alderman Shull also expressed dismay that area schools are starting so early in the year and has been approached by many other parents sharing this viewpoint. Alderman Joh shared that she has been made aware of an opposing viewpoint by parents who both work and would prefer a year-round school schedule. Mayor Phillips pointed out that Kingsport City Schools Board of Education members are elected officials and make these decisions based on their knowledge and experience.

Motion/Second: Mallicote/Munsey, to pass:

Resolution No. 2009-043, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER FOR THE PURCHASE OF PROPERTY LOCATED AT 2320 OVERLOOK ROAD

Passed: All present voting "aye."

4. Consideration of a Resolution to Approve the Offer and Authorize the Mayor to Execute all Documents Necessary for the Acquisition of Property Located at 1308 and 1312 Summer Street for the Kingsport City School System (AF: 239-2008).

Motion/Second: Joh/Mallicote, to pass:

Resolution No. 2009-044, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER FOR THE PURCHASE OF PROPERTY LOCATED AT 1308 AND 1312 SUMMER STREET

Passed: All present voting "aye."

5. Consideration of a Resolution to Condemn in Fee Property for the Site of the Future Fire Station #7 (AF: 244-2008). Alderman Marsh expressed his opposition to this action, stating that he is not in favor of the condemning property that is not essential to welfare of City.

Motion/Second: Mallicote/Joh, to pass:

Resolution No. 2009-045, A RESOLUTION TO AUTHORIZE CONDEMNATION PROCEEDINGS FOR THE FUTURE ANNEX EXTENSIONS SANITARY SEWER PROJECT

Passed: All present voting "aye," except Marsh voting "nay."

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6. Consideration of a Resolution Authorizing the Mayor to Execute an Annual Renewal of Public Library Maintenance of Effort Agreement and a Public Library Service Agreement with the Tennessee State Library and Archives for Services via Watauga Regional (AF: 245-2008).

Motion/Second: Mallicote/Shupe, to pass:

Resolution No. 2009-046, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A PUBLIC LIBRARY MAINTENANCE OF EFFORT AGREEMENT AND A PUBLIC LIBRARY SERVICE AGREEMENT WITH THE TENNESSEE STATE LIBRARY AND ARCHIVES TO RECEIVE FUNDING FOR BOOKS AND TRAINING AND FOR SERVICES THROUGH THE WATAUGA REGIONAL LIBRARY SYSTEM FOR FISCAL YEAR 2008/2009

Passed: All present voting "aye."

7. Consideration of a Resolution Awarding the Bid for the Indian Springs Pressure Zone Waterline Upgrade – Phase II to Birchfield Construction Co., LLC and Authorize the Mayor to Sign All Applicable Documents (AF: 247-2008).

Motion/Second: Munsey/Joh, to pass:

Resolution No. 2009-047, A RESOLUTION AWARDED THE BID FOR THE INDIAN SPRINGS PRESSURE ZONE UPGRADE PHASE II PROJECT TO BIRCHFIELD CONSTRUCTION COMPANY, LLC AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT, AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT, WITH BIRCHFIELD CONSTRUCTION COMPANY, LLC FOR THE PROJECT

Passed: All present voting "aye."

8. Consideration of a Resolution Establishing a Lease Agreement with Northeast State Regarding the Kingsport Center for Higher Education (KCHE) AF: 248-2008).

Motion/Second: Munsey/Joh, to pass:

Resolution No. 2009-048, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A LEASE AGREEMENT BETWEEN THE CITY OF KINGSPORT AND THE STATE UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF TENNESSEE FOR CERTAIN PROPERTY KNOWN AS THE KINGSPORT CENTER FOR HIGHER EDUCATION (KCHE) LOCATED IN THE CITY OF KINGSPORT, SULLIVAN COUNTY, TENNESSEE

Passed: All present voting "aye."

9. Consideration of a Resolution Authorizing the Mayor to Execute an Amendment to the Agreement for Various Milk, Dairy and Juice Items for the City of Kingsport School Food and Nutrition Program to Pet Dairy (AF: 250-2008).

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Motion/Second: Joh/Shupe, to pass:

Resolution No. 2009-049, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AMENDMENT TO THE 2007 AGREEMENT WITH PET DAIRY FOR THE SUPPLY OF VARIOUS MILK, DAIRY AND JUICE ITEMS FOR USE BY THE KINGSFORT CITY SCHOOL SYSTEM SCHOOL NUTRITION PROGRAM

Passed: All present voting "aye."

10. Consideration of a Resolution Authorizing Adopting Family and Medical Leave (FMLA), Holiday Leave, and Civil Leave Policies (AF: 243-2008).

Motion/Second: Mallicote/Shupe, to pass:

Resolution No. 2009-050, A RESOLUTION ADOPTING A FAMILY AND MEDICAL LEAVE (FMLA) POLICY, A HOLIDAY LEAVE POLICY, AND A CIVIL LEAVE POLICY FOR CITY EMPLOYEES

Passed: All present voting "aye."

11. Consideration of a Resolution Authorizing the Mayor to Execute a Contract to Engage the Firm of Blackburn, Childers and Steagall, PLC to Audit the Records and Accounts of the City of Kingsport for the Fiscal Year Ending June 30, 2009 (AF: 237-2008).

Motion/Second: Shull/Munsey, to pass:

Resolution No. 2009-051, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO ENGAGE THE FIRM OF BLACKBURN, CHILDERS AND STEAGALL, PLC TO AUDIT THE RECORDS AND ACCOUNTS OF THE CITY OF KINGSFORT SCHOOL ACTIVITY FUNDS, FOOD SERVICE FUND, THE CITY'S GOVERNMENTAL FUNDS, PROPRIETARY FUNDS, ACCOUNT GROUPS AND THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF KINGSFORT FOR THE FISCAL YEAR ENDING JUNE 30, 2009

Passed: All present voting "aye."

12. Consideration of a Resolution Awarding the Bid for Employee Long Term Disability Insurance to Reliance Standard Life Insurance Company and Authorizing the Mayor to Execute an Agreement thereto and Consideration of a Motion Rejecting the Bids for Life Insurance (AF: 246-2008). City Attorney Billingsley explained that City employees' current life insurance will remain the same and Board members will, therefore, need to vote to reject bids received for life insurance coverage.

Motion/Second: Mallicote/Joh, to pass:

Resolution No. 2009-052, A RESOLUTION AWARDED THE BID FOR LONG TERM DISABILITY INSURANCE FOR CITY EMPLOYEES, INCLUDING SCHOOL PERSONNEL, TO RELIANCE STANDARD LIFE INSURANCE COMPANY AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH RELIANCE STANDARD LIFE INSURANCE COMPANY FOR THE INSURANCE COVERAGE

Passed: All present voting "aye."

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Motion/Second: Mallicote/Joh, to
REJECT LIFE INSURANCE BIDS OPENED ON JUNE 10, 2008
Passed: All present voting "aye."

13. Consideration of a Resolution Authorizing the Mayor to Execute an Amended ACH Services Contractual Agreement with First Tennessee Bank (AF: 254-2008).

Motion/Second: Munsey/Joh, to pass:
Resolution No. 2009-053, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AMENDMENT TO THE ACH SERVICES CONTRACTUAL AGREEMENT WITH FIRST TENNESSEE BANK
Passed: All present voting "aye."

14. Consideration of a Resolution Authorizing the Mayor to Execute All Documents Necessary and Proper to Apply for and Receive an Arts Builds Community Grant from the Tennessee Arts Commission (AF 223-2008). Alderman Munsey questioned the need for the Board to approve grant applications, especially if only for minimal amounts and requested that the City Manager and City Attorney meet and discuss a set limit that would not require Board consideration.

Motion/Second: Shull/Shupe, to pass:
Resolution No. 2009-054, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE TENNESSEE ARTS COMMISSION ARTS BUILDS COMMUNITY GRANT FUNDS
Passed: All present voting "aye."

15. Consideration of a Resolution Authorizing the Mayor to Execute All Documents Necessary and Proper to Apply for a Touring Arts Grant from the Tennessee Arts Commission (AF: 224-2008).

Motion/Second: Mallicote/Shupe, to pass:
Resolution No. 2009-055, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE TENNESSEE ARTS COMMISSION TOURING ARTS GRANT FUNDS
Passed: All present voting "aye."

16. Consideration of an Initial Resolution Authorizing the Incurrence of Indebtedness in an Amount not to Exceed \$10,000,000 with a Loan through the Tennessee Municipal Bond Fund (TMBF) to Fund the Acquisition and Installation of Automated Meter Reading and Leak Detection System; a Resolution Authorizing the Execution of the TMBF Loan Agreement; and a Resolution Indicating the Board of Mayor and Aldermen's Intention that the Debt

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Service and Other Costs Associated with the Loan Agreement be Paid from the Revenues of the City's Water and Sewer Systems (AF 258-2008).

Motion/Second: Munsey/Mallicote, to pass:

Resolution No. 2009-056, INITIAL RESOLUTION AUTHORIZING THE INCURRENCE OF INDEBTEDNESS BY THE CITY OF KINGSPORT, TENNESSEE, OF NOT TO EXCEED \$10,000,000 BY THE EXECUTION WITH A PUBLIC BUILDING AUTHORITY OF ONE OR MORE LOAN AGREEMENTS OR OTHER INSTRUMENT EVIDENCING SUCH INDEBTEDNESS, TO PROVIDE FUNDING FOR CERTAIN PUBLIC WORKS PROJECTS CONSISTING OF WATER AND SEWER SYSTEM IMPROVEMENTS, AND TO FUND THE INCIDENTAL AND NECESSARY EXPENSES RELATED THERETO

Passed: All present voting "aye."

Motion/Second: Munsey/Joh, to pass:

Resolution No. 2009-057, A RESOLUTION TO APPROVE THE EXECUTION AND DELIVERY OF ONE OR MORE LOAN AGREEMENTS FOR THE PURPOSE OF PROVIDING FUNDS FOR FINANCING CERTAIN PUBLIC WORKS PROJECTS FOR THE CITY OF KINGSPORT, TENNESSEE, CONSISTING OF WATER AND SEWER SYSTEM IMPROVEMENTS

Passed: All present voting "aye."

Motion/Second: Shull/Joh, to pass:

Resolution No. 2009-058, A RESOLUTION PERTAINING TO THE PAYMENT OF THE DEBT SERVICE EVIDENCED BY THAT CERTAIN LOAN AGREEMENT AUTHORIZED BY RESOLUTION NO. 2009-057 FOR THE PURPOSE OF FINANCING WATER AND SEWER SYSTEM IMPROVEMENTS

Passed: All present voting "aye."

E. APPOINTMENTS.

Motion/Second: Shupe/Joh, to approve the following appointments/reappointments:

1. Reappoint Ms. Lee Fish to serve a four-year term on the Kingsport Gateway Commission, effective September 1, 2008 and expiring August 31, 2012 (AF: 236-2008).
2. Reappoint Mr. T. Arthur Scott and Mr. Bob Lawrence, each to serve a three-year term on the Kingsport Public Art Committee, effective immediately and expiring June 30, 2011 (AF: 219-2008).

Passed: All present voting "aye."

VII. CONSENT AGENDA.

Consent Agenda items are considered under one motion.

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Motion/Second: Munsey/Joh, to adopt, approve and pass:

1. Consideration of an Ordinance Amending the FY 2008-2009 General Purpose School Fund Budget (AF: 218 -2008).

Adopt:

Ordinance No. 5724, AN ORDINANCE TO AMEND THE GENERAL PURPOSE SCHOOL FUND AND THE GENERAL PROJECT FUND BUDGETS; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Shull, Shupe and Phillips voting "aye."

2. Consideration of an Ordinance to Appropriate Funds Necessary to Enter into a Materials Agreement With Rob McLean Related to Anchor Pointe Subdivision (AF: 226 -2008).

Adopt:

Ordinance No. 5725, AN ORDINANCE TO AMEND THE WATER AND SEWER PROJECT FUNDS BY TRANSFERRING FUNDS TO ESTABLISH THE ANCHOR POINT DEVELOPMENT MATERIALS AGREEMENT PROJECTS (SW0857 AND WA0857); AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Shull, Shupe and Phillips voting "aye."

3. Consideration of an Ordinance to Appropriate Funds Necessary to Enter into a Materials Agreement With Ken Bates Related to Chase Meadows Subdivision – Phase I (AF: 227 -2008).

Adopt:

Ordinance No. 5726, AN ORDINANCE TO AMEND THE WATER AND SEWER PROJECT FUNDS BY TRANSFERRING FUNDS TO ESTABLISH THE CHASE MEADOWS SUBDIVISION PHASE I MATERIALS AGREEMENT PROJECTS (SW0862 AND WA0862); AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Shull, Shupe and Phillips voting "aye."

4. Consideration of Approval of Offers for Additional Easements and Right-of-Ways for the I & I West Kingsport Area Sewer Improvements Project (AF: 251 -2008).

Approve:

OFFERS FOR ADDITIONAL EASEMENTS AND RIGHTS-OF-WAY FOR THE I & I WEST KINGSFORT AREA SEWER IMPROVEMENTS PROJECT

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Shull, Shupe and Phillips voting "aye."

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen
of the City of Kingsport, Tennessee, Tuesday, August 5, 2008**

VIII. COMMUNICATIONS.

A. CITY MANAGER. Mr. Campbell reminded that this is United Way season and Trish Smith has agreed to be chairperson again and did outstanding job last year and mentoring Morris Baker to take over next year.

B. MAYOR AND BOARD MEMBERS. Alderman Shupe spoke about the upcoming opening of the newly constructed Allied Health Center, scheduled to start classes on August 26, 2008.

Alderman Joh encouraged all to take advantage of the *Art Nights, City Lights* program offered by the City's Cultural Arts division.

Alderman Marsh requested a status report for the various current and upcoming road improvements projects.

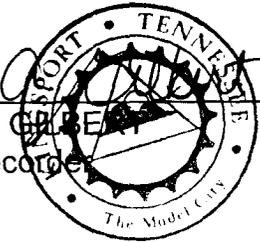
C. VISITORS. Mr. Dean Cox of 674 Cox Hollow Road, Kingsport, addressed Board members regarding annexation.

Mr. Danny Karst of Kingsport commended the City's Public Works department.

Ms. Pamela Greer of 100 Hidden Acres Road in Kingsport indicated her support for the road improvement planned to address the Rock Springs area safety issue.

IX. ADJOURN. Seeing no other business for consideration at this meeting, Mayor Phillips adjourned the meeting at 8:50 p.m.


ELIZABETH A. GILBERT
Deputy City Recorder




DENNIS R. PHILLIPS
Mayor