

Minutes of the Regular Work Session of the
Board of Mayor and Aldermen, City of Kingsport, Tennessee
Monday, December 1, 2008, 4:30 PM
Council Room – City Hall

PRESENT:

Board of Mayor and Aldermen

Mayor Dennis R. Phillips

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 H. Demming, City Recorder

1. **CALL TO ORDER:** 4:30 p.m., by Mayor Phillips.
2. **ROLL CALL:** By Deputy City Recorder Gilbert. Vice-Mayor Mallicote and Alderman Shupe arrived immediately after roll call was taken.
3. **WORK SESSION TICKLER.** Mayor Phillips inquired about the status of the restroom at the dog park. City Manager replied that the dog park advisory committee is still deciding details of the facility.
4. **REVIEW OF AGENDA ITEMS ON DECEMBER 2, 2008 REGULAR BUSINESS 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.2 Public Hearing and Consideration of Ordinances to Annex/Amend Zoning of the Cleek Road Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 354-2008) and the following related item:

VI.D.6 Consideration of a Resolution Approving the Purchase of Real Property and Authorizing the Mayor to Execute all Documents Necessary to Effectuate the Purchase and Accepting a Donation of Real Property from the Cleek-Vanover Family for the East Stone Fire Station, Cleek Road Right-of-Way, and Wetlands Mitigation Area (AF: 372-2008). Jeff Fleming, Director of Development Services and Assistant City Manager for Economic Development, provided details of this action, explaining that this property would be donated, in part, to mitigate the wetland property involved in the location of the aquatic center.

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In summary, the City's total purchase price is \$350,000, while the donated value totals \$654,095. Kingsport Fire Chief Craig Dye confirmed that this location for a fire station covers possible future Urban Growth Boundary issues, along with serving the Crown Colony area.

In response to Board inquiry, Mr. Fleming stated that the Cleek Road project will be accomplished in two phases; the first will address the Stone Drive/Cleek Road intersection and the next phase would begin at that point and move to the top of the hill, ultimately encompassing the whole area.

VI.B.1 Consideration of an Ordinance Amending Ordinance 5694 as it Pertains to Health Insurance Premiums for City Retirees. Risk Manager Terry Evans presented information discussed with the City's Audit Committee regarding the City's retirees' health insurance premiums and this ordinance amendment comes out of those discussions. Ms. Evans went over the various options that the City might consider to allow continuation of sufficient benefits for current retirees and how to proceed going forward with the City's retirement benefits provided. She indicated that the Audit Committee chose to recommend Option 1 be adopted by the BMA.

Alderman Munsey, a member of the Audit Committee, along with Alderman Shull and Vice-Mayor Mallicote, clarified further that City staff had recommended Option 2 and while, theoretically, a viable choice, the Committee took into consideration the fact that the City is generous in offering health benefits to employees after only 5 to 15 years of service. He pointed out that, in Option 2, looking at the ages involved, health benefit costs would increase over 46% and the Committee, therefore, decided to present both options to the Board, but recommend Option 1. Mr. Munsey saw this as a good compromise and would reflect the Board's concern for City employees.

Vice-Mayor Mallicote further pointed out that Option 1 applies to current retirees, as of the date this option is adopted, but City staff will set a future retirement date, possibly by fiscal year end, and all employees retiring after that designated date will have the rate structure contained in Option 2 apply.

Mayor Phillips asked if there was anyone—employee or otherwise—in the audience that wanted to speak to this issue and Fire Chief Dye stated he was speaking for those in attendance who were all 30-year City employees in saying either plan would have the same effect on them due to their longevity.

5. PRESENTATION ON PAPERLESS REPORTING/OFFICE PRODUCTIVITY. Police Chief Gale Osborne provided background on the savings realized once the proposed software was implemented. He provides statistics on various types of reporting required and explained that current reports are not state compliant until the records clerk makes them so. With this software, reports would be immediately state compliant when entered, upon approval by a supervisor. Chief Osborne explained the process for inputting report information and eliminating the need for the records clerk's input.

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He described the advantages of being able to broadcast information, immediately, to all Kingsport officers, as well as to nearby law enforcement agencies.

Fire Chief Craig Dye spoke about advantages of this program to the City's fire department, including immediate communication with other local agencies, all of whom already are able to communicate with each other, with the exception of Kingsport. Another benefit would be access to 2009 Homeland Security funding.

Chief Osborne provided cost figures indicating the entire package costs \$887,872.24 and current funds on hand total \$273,812. With the addition of amounts budgeted in FY10 of \$183,000 and a 911 Board contribution of \$117,203.23, there is still a shortfall of \$313,857.01. The purchase is structured to require one-half of the payment up front and the remaining half is payable in 360 days. Both fire and police departments will seek grant funding to assist covering the shortfall amount.

He further stated that there is an annual maintenance amount of \$40,535.93, of which 911 will be asked to pay \$12,536.47 as its portion, leaving \$27,999.46 to be covered.

In response to Board inquiry about what the BMA may be asked, City Manager Campbell responded that debt roll-off money from next year's budget could be applied to the capital part of this upgrade and productivity gains from implementation would be applied to maintenance costs. Board members indicated their support for this upgrade.

6. ORGANIZATIONAL ADJUSTMENT. To accommodate a request by Alderman Munsey (who needed to leave the meeting at 6:30 p.m.), City Manager Campbell moved this agenda item up from No. 7 to No. 6, and proceeded to provide the reasoning behind this adjustment, due to the retirement of Leisure Services Director Tom Bowman. Mr. Campbell's request is to hire an economic planner/researcher in lieu of filling the vacant Leisure Services director position and eliminating that position, at this time, in the best interest of the City's need to diversify its economic base. He emphasized that this action, in no way, diminishes the City's Leisure Services area, but he is confident in the strong leadership developed by Mr. Bowman in the Library, Senior Center and Parks and Recreation department heads, going forward. These department heads would now report to Assistant to City Manager, Chris McCartt.

Mr. Campbell further clarified that he would like to expand the medical field-related job opportunities and businesses in the City, working with already existing businesses, as well as recruiting new ones to the area. Further savings would be realized in the decrease in salary for the new position.

Alderman Marsh requested to be shown, in concrete figures, how the success of this economic development position would be realized. He further inquired why NETWORKS would not be the entity to fill this need and City Manager Campbell responded that NETWORKS concentrates mainly on big projects and medical services is not its highest priority, but primarily, along with Sullivan County, Bristol and Bluff City, the focus is on major manufacturing.

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Vice-Mayor Mallicote expressed reservations about eliminating the Leisure Services director position while affirming he doesn't have any objection to the proposed economic development position. He considers Leisure Services a fundamental City service, in the same light as public works, and will need to be further convinced that is an expendable position, even in the short term.

In consideration of Mr. Munsey's need to leave, Mayor Phillips suggested deferring any further discussion on this adjustment until next meeting.

Further, brief Board discussion was held on funding an additional amount to go toward City employees' year-end bonus compensation. Board members were divided whether or not to do so (Vice-Mayor Mallicote had stepped out momentarily). **[Alderman Munsey left the meeting at 6:40 p.m.]** When Vice-Mayor Mallicote returned, he indicated that he recalled the Board being intentionally conservative with this in the budget process, in order to be able to consider this bonus compensation.

7. DISCUSSION ON THE JOINT LEGISLATIVE LUNCHEON. Government Relations Officer Tim Whaley invited Board members to the luncheon to be held on Friday, January 9, 2009, at MeadowView Convention Resort & Conference Center. Mr. Whaley asked Board members to review the legislative information provided and let him know if they had any concerns. **[Alderman Marsh left the meeting at 6:46 p.m.]**

BOARD DISCUSSION. Board members were reminded of the City employees' Christmas luncheon from 11:00 a.m. to 1:00 p.m. tomorrow, along with the Christmas Tree Reception from 4:00 to 6:30 p.m. at the Renaissance Center, and Tom Bowman's retirement reception from 6:00 p.m. to 7:00 p.m. at City Hall, just prior to the BMA business meeting.

Alderman Joh indicated she will need to leave tomorrow night's meeting early to drive to Nashville.

8. ADJOURN. Seeing no other matters presented for discussion at this work session, Mayor Phillips adjourned the meeting at 6:50 p.m.


ELIZABETH A. GILBERT
Deputy City Recorder


DENNIS R. PHILLIPS
Mayor