

Minutes of the Regular Work Session of the
Board of Mayor and Aldermen, City of Kingsport, Tennessee
Monday, February 1, 2010, 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 Tom C. Parham

Alderman Jantry Shupe

City Administration

John G. Campbell, City Manager

J. Michael Billingsley, City Attorney

James H. Demming, City Recorder

1. **CALL TO ORDER:** 4:35 p.m., by Mayor Phillips.

2. **ROLL CALL:** By Deputy City Recorder Gilbert.

3. **GED SCHOLARSHIP UPDATE.** Dr. Lowell Biller, director of the Kingsport/Sullivan County GED program, came forward at Mayor Phillips' request, to provide an update on the GED program since the City approved the funding of \$65 GED scholarships. Dr. Biller went over encouraging statistics that support the success of the City's scholarship contribution; namely, the 12 percent increase in graduates and increased overall participation and completion.

4. **KINGSPORT AREA HOUSING REDEVELOPMENT (KAHR) UPDATE.** Terry Cunningham, Executive Director of Kingsport Housing and Redevelopment Authority (KHRA); Mark Haga, City Community Development Manager; and Danny Howe, founder of Carpenters Helpers Ministry; took turns going through a PowerPoint presentation on various aspects of this program, such as funding sources, the number of homes repaired, along with the number of volunteer hours provided for the 2008-2009 period. A slide show was utilized to illustrate "before" and "after" effects of the housing rehabilitations.

Board members inquired about the program's qualifying criteria, the segment of population primarily served and the benefit, not only to the recipient, but to the surrounding neighborhoods. Mayor Phillips praised this program for its success and being a great example of maximizing the use of government money to benefit the citizens.

5. **WORK SESSION TICKLER.** In response to an inquiry from Alderman Marsh about the status of the installation of lights on the Netherland Inn Road Bridge, Public Works Director Ryan McReynolds responded that some, but not all, lights would be working tonight.

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Further Board discussion followed about local customer services issues involving American Electric Power (AEP), possible causes for the issues and what measures could be taken to address them.

On another tickler subject, Alderman Munsey referred to Cook's Point and the fact that the developer's time to pay a \$5,000 storm water penalty had expired and, yet, the Regional Planning Commission had extended his road paving bond through September 17, 2010.

Board discussion ensued regarding various concerns involving this subdivision and steps being taken to resolve some and the City's obligation and/or ability to address others. Alderman Parham, the Board liaison on the Planning Commission, explained that the bond had been extended in July, at which time the developer, Erik Fritz, was trying to complete his obligations in the subdivision but has since taken employment out of state, having been unable to sell several properties in the subdivision.

Alderman Marsh suggested that, while it is preferable that the developer finish the paving, the City step in and complete the requiring paving to stave off further drainage issues and the road subgrade that continues to deteriorate. He added that, ultimately, these roads will be the responsibility of the City to upkeep. Board members further discussed this option and ways to legally require the developer or allow the City to accomplish the task of completing the paving. Benefits of the City completing the paving would include the timetable and cost efficiency of using crews working nearby on the Harbor Chapel Road improvement project (January to June, 2010) and, perhaps, procuring a more favorable bid earlier in the year—one closer to the bond amount.

Mayor Phillips expressed his dismay that the City will be required to close the gap, if any, between the actual cost of paving and the amount of Mr. Fritz's bond. City Attorney Billingsley explained that any deficiency could be recovered through a judgment.

6. REVIEW OF AGENDA ITEMS ON FEBRUARY 2, 2009 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.B.2 Consideration of an Ordinance to Amend the FY2010 General Project Fund Budget (AF: 42-2010). Kingsport City Schools (KCS) Director of Finance, David Frye, explained that this budget action would allow KCS to put out a request for proposal for a location/concept plan for the KCS new Central Office. Vice-Mayor Mallicote suggested the location and building currently housing St. Dominic's Catholic school which has announced it will cease operation at the end of the academic year.

Mr. Frye responded that the KCS Board of Education (BOE) is exploring all options and reminded them that KCS only has three years to spend the bond money committed to this project.

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VI.D.8 Consideration of a Resolution Authorizing the Mayor to Sign All Documents Necessary to Enter into a Guaranteed Energy Savings Performance Contract (Phase II) with Energy Systems Group, LLC (ESG) (AF: 45-2010). In connection with this agenda item, Mr. Russ Nelson of ESG went over a PowerPoint overview of Phase II of the City's energy savings project and the scope of buildings and efficiencies this phase will cover. He addressed Board members' inquiries about financial return and the length of time involved to do so.

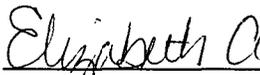
7. MARCH 15, 2010 WORK SESSION UPDATE. Mayor Phillips invited Board input regarding changing the meeting dates of the second March meetings to accommodate Board members and City staff travel to Washington DC to attend the National League of Cities annual conference and meet with senators and congressmen on Tuesday, March 16, 2010. Board members seemed to favor moving the meetings to the following week on March 22 and 23, 2010.

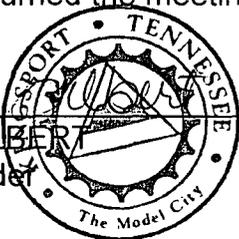
PUBLIC COMMENT. None.

BOARD COMMENT. Alderman Marsh asked the City Manager, based on the actual sales tax receipts for the first five months of the 2010 fiscal year coming in around \$1-\$1.25 million under budget, if the City Manager and City staff have the budget under control. Mr. Campbell assured Mr. Marsh that, as previously discussed, all City department have been asked to identify as much as 3.5% holdback in each's budget and he opined that it will likely be necessary to utilize much of those holdback amounts. Mr. Campbell indicated he would have a better picture after factoring in December's figures, which normally reflect the biggest sales revenues of the year.

Mayor Phillips praised Code enforcement officer, John Blessing, and would like to recognize his contributions at a televised BMA meeting. City Attorney Billingsley, under whose department Officer Blessing works, will ask him to attend a meeting to receive such recognition.

8. ADJOURN. Seeing no other matters presented for discussion at this work session, Mayor Phillips adjourned the meeting at 6:11 p.m.


ELIZABETH A. GILBERT
Deputy City Recorder




DENNIS R. PHILLIPS
Mayor