

Minutes of the Regular Work Session of the  
Board of Mayor and Aldermen, City of Kingsport, Tennessee  
Monday, October 6, 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 (*attended  
telephonically from 4:30-6:18 p.m.*)

Alderman Jantry Shupe

City Administration

John G. Campbell, City Manager

J. Michael Billingsley, City Attorney

James H. Demming, City Recorder

1. **CALL TO ORDER:** 4:33 p.m., by Mayor Phillips.
2. **ROLL CALL:** By Deputy City Recorder Gilbert.
3. **WORK SESSION TICKLER.** Assistant to City Manager Chris McCartt provided an update on the flatboat being constructed at the Netherland Inn. City Manager Campbell addressed an inquiry regarding the status of the dog park and indicated that there may be an action item at the next meeting addressing restroom options at the park.
4. **REVIEW OF AGENDA ITEMS ON OCTOBER 7, 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 Rock Springs South Area #8A Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 299-2008).**
  - VI.AA.3 **Public Hearing and Consideration of Ordinances to Annex/ Amend Zoning of the Rock Springs South Area #8B Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 300-2008).**
  - VI.AA.4 **Public Hearing and Consideration of Ordinances to Annex/ Amend Zoning of the Rock Springs South Area #8C Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 301-2008).** City Planner Forrest

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Koder went over the background on all three of these proposed annexations and read information pertaining to each. Alderman Munsey asked City Attorney Billingsley if there was a way in which the repetitive, standard annexation information set out by Mr. Koder could be provided in the Board packets, negating the need to replicate, and still fulfill the legal requirements involving annexation actions. Mr. Billingsley indicated he would review and report back.

**5. PRESENTATION ON ADULT EDUCATION PROGRAM FOR KINGSPORT IN THE FUTURE.** Senior Services Director Shirley Buchanan explained the background of this proposed program which will fill a need created when Dobyms-Bennett High School (DBHS) eliminated its Adult Education program. After meeting with Kingsport City Schools Superintendent Dr. Richard Kitzmiller and determining classes previously offered at DBHS, Ms Buchanan presented a system that would allow the City to offer some and, eventually, most of the classes previously available for adult education.

The purpose of the presentation was to inform Board members of how the Senior Center could be utilized in greater ways by offering courses after the normal center hours and contracting staff that would be paid out of fees collected for each individual class. Ms. Buchanan suggested that the new branch manager for the senior center, coming on in November, could oversee an adult ed program. The potential first stage of revenue needed would be \$27,160, with expenditures not exceeding the revenue collected. The second step would require \$76,770 (inclusive of the \$27,160) and a third step revenue of around \$130,000 (inclusive of the \$76,770), annually, to provide for all three levels of classes.

When asked whether the senior center is already providing some of the classes shown, Ms. Buchanan explained, while that was true, senior center classes are only open to seniors who pay an annual membership fee; the adult education classes would be open to all adults, subject to payment of the fee for the specific class desired. If a certain class does not generate enough capital to pay the instructor, the class will not be offered.

**6. CAPITAL IMPROVEMENT PROJECTS/BOND MARKET DISCUSSION.** Dr. Richard Kitzmiller, Kingsport City Schools Superintendent provided a handout to Board members indicating a need for \$1.1 million in bonds in the next general obligation bond issuance to address needs related to Sevier Middle School expansion (\$500,000); school security entrances (\$200,000) and real property purchases (\$400,000). Morgan Keegan investor, Mr. Rick Delaney, was in attendance to answer any questions or concerns. Dr. Kitzmiller stated that there was no Board action required on tonight's agenda but a request would be made, via resolution, for a meeting no later than November.

City Manager Campbell then went over his capital improvement project (CIP) presentation to the Board. Proposed improvement projects included K-PLAY, several

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local road projects, Greenbelt extension, stream quality/stormwater management, Kingsport City Schools projects and the V.O. Dobbins Center, for which new market tax credits are still being sought.

***Alderman Shull (telephonically) requested to leave the meeting at 6:18 p.m. and asked to meet with City Manager Campbell on Friday to go over the items discussed.***

**7. PRESENTATION ON ENERGY MANAGEMENT – PHASE II PROJECT OVERVIEW.** Mr. Russ Nelson of Energy Systems Group advised Board members of accomplishments achieved in Phase I of the City's energy management program and will owe the City a reconciliation report of energy savings in May 2009, one full year after construction is completed.

Mr. Nelson went over a Phase II Key Priorities Summary Matrix that showed the City facilities that will be addressed and what improvements will be done at what facilities which include several fire stations, Bays Mountain complex, Fleet Maintenance, Improvement Building, as well as others.

Returning to the CIP discussion, City Manager Campbell continued to describe other projects for the Board's future consideration such as Library design and renovation. Vice-Mayor Mallicote expressed concern that the BMA had not yet discussed how to proceed with library improvements and ways to integrate with the Kingsport Higher Education Center. City Manager Campbell responded that the earlier discussion and study had determined that the existing 35,000 square feet should be expanded to 50,000–55,000 square feet and to expand on the current site, if feasible. Alderman Munsey would like to add that a new facility will be studied, similar to what both Bristol and Johnson City have done.

Other projects presented by the City Manager included the Justice Center expansion and construction of a downtown parking garage. Alderman Munsey confirmed that the figures presented tonight do not include the proposed aquatic center or expansion at MeadowView Conference Center.

Mayor Phillips indicated that Board members have received a lot of information and urged each Board member to speak individually with the City Manager to relate to him how they would like to proceed and which projects are priority to them.

City Manager Campbell indicated he would like to bring back the initial bond resolution for consideration at the next BMA meeting, but emphasized that approval of that resolution did not mean that bond issuance would need to be acted upon immediately, only that the paperwork to move forward would be in place if the market became favorable to do so.

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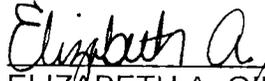
Vice-Mayor Mallicote asked Mr. Rick Delaney of Morgan Keegan to talk about capital markets and rates available. He stated that, due to the difficult, global economic situation, municipalities may return to a normal market on a slow basis or some believe it will snap back as a result of the value people hold in municipal sectors.

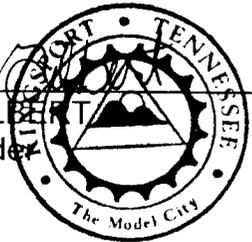
***[Alderman Marsh left the meeting at 7:17 p.m. during Mr. Delaney's talk.]***

The remaining Board members discussed the path going forward on this bond issuance and the need to have further detailed discussion.

8. **PRESENTATION ON TRANSIT.** This item was postponed.

9. **ADJOURN.** Seeing no other matters presented for discussion at this work session, Mayor Phillips adjourned the meeting at 7:30 p.m.

  
ELIZABETH A. GILBERT  
Deputy City Recorder



  
DENNIS R. PHILLIPS  
Mayor