

Minutes of the Called Business Meeting of the
Board of Mayor and Aldermen of the City of Kingsport, Tennessee
Tuesday, April 29, 2014, 8:00 AM
Large Court Room – City Hall

PRESENT:

Board of Mayor and Aldermen

Mayor Dennis R. Phillips, Presiding
Alderman John Clark
Alderman Colette George

Alderman Tom C. Parham
Alderman Tom Segelhorst

City Administration

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

- I. **CALL TO ORDER:** 7:00 p.m., by Mayor Dennis R. Phillips.
- II. **PLEDGE OF ALLEGIANCE TO THE FLAG**
- III. **ROLL CALL:** By City Recorder Demming. Absent: Vice-Mayor Mike McIntire and Alderman Jantry Shupe.
- IV. **COMMUNITY INTEREST ITEMS.**
 - A. **OTHER BUSINESS.**

1. **Consideration of a Resolution Approving a Contribution, if Needed, to KEDB for Economic or Industrial Development, including the Acquisition and Preparation of Property, and Authorizing One or More Agreements Pertaining to the Same (AF: 98-2014).** Mayor Phillips read an email that explained the purpose of the meeting. KEDB will purchase property for 2.6 million dollars, which will be leased to Heritage Glass, creating many local jobs. The mayor confirmed for Alderman Clark that he, as well as the bank, has seen the business plan. He further stated the exposure for the BMA is if the business doesn't survive and the property cannot be sold. City Manager Campbell pointed out the business will also be paying the property taxes through their monthly payment. City Attorney Billingsley noted the city is not guaranteeing anything or a surety for anybody. The resolution condones KEDB's purchase and offers a contribution towards economic and industrial development, if needed. Alderman Parham stated this was a low risk opportunity. The mayor also pointed the investors have two millions dollars of their own money in this project. Attorney Gorman Waddell, representing KEDB, asked for the amount in the resolution be amended from \$3,517,413, noting the increase represents the amount of interest that may accrue in the event of a default. Discussion followed as both attorneys answered questions from the board. Alderman Parham amended his original motion to reflect the new amount and recognized this opportunity. The motion to amend was seconded by Alderman Clark with all present voting "aye."

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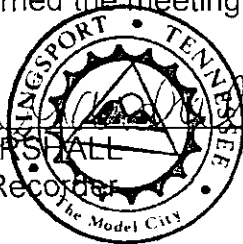
Motion/Second: Parham/Segelhorst, to pass as amended:


Resolution No. 2014-169, A RESOLUTION AUTHORIZING A CONTRIBUTION TO THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF KINGSPORT, TENNESSEE (KEDB) FOR ECONOMIC OR INDUSTRIAL DEVELOPMENT PURPOSES, INCLUDING THE ACQUISITION AND PREPARATION OF PROPERTY FOR SUCH PURPOSES; AUTHORIZING SUCH AGREEMENTS AS MAY BE NEEDED TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION; EXPRESSING THE INTENT OF THE BOARD TO ESTABLISH ONE OR MORE PROJECT ACCOUNTS IN AN ORDINANCE APPROPRIATING FUNDS TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION, IF NEEDED; AND TO FIX THE EFFECTIVE DATE OF THIS RESOLUTION

Passed: All present voting "aye."

V. ADJOURN. Seeing no other business for consideration at this meeting, Mayor Phillips adjourned the meeting at 8:45 a.m.


ANGELA MARSHALL
Deputy City Recorder




DENNIS R. PHILLIPS
Mayor