

*****MAY 24, 2003*****

The Town Council of the Town of Signal Mountain held a special called meeting on Saturday May 24, 2003, at 8:00 a.m. in the Town Hall. Those present were:

Mayor James H Althaus
Vice Mayor Bill Leonard
Councilmember Rachel Bryant
Councilmember Steve Ruffin

Also present: Town Manager Hershel Dick
 Town Recorder Diana Campbell
 Town Attorney Phil Noblett

The Mayor called the meeting to order.

The first business before the Council was an "ORDINANCE TO ESTABLISH A REVISED OCCUPATIONAL SAFETY AND HEALTH PROGRAM FOR THE TOWN OF SIGNAL MOUNTAIN, TENNESSEE, DEVISE RULES AND REGULATIONS, AND TO PROVIDE FOR A DIRECTOR AND THE IMPLEMENTATION OF SUCH PROGRAM" for first reading. Phil Noblett explained that OSHA had initiated the revised ordinance and explained other points regarding the ordinance. After a brief discussion Councilmember Bryant made a motion to approve the ordinance. Vice-Mayor Leonard seconded the motion and it passed unanimously.

The second business before the Council was the refinancing of the bond, loans and notes. The Recorder explained that Kevin Barnett with the Tennessee Municipal Bond Fund had previously stated the indebtedness could be refinanced at 3.17%. She informed the Council that in the previous few days the Town had been approached by Suntrust to see if they could make a proposal on the refinancing. She noted that Suntrust stated that their interest rate would be an average of 2.65% but the bonds and notes would not be callable meaning they could not be paid off before maturity. She stated that their offer received by fax the previous afternoon accelerated by \$40,000 the principal payments for the fiscal year ended June 30, 2004, for which the Town was currently discussing the budget. She also stated their offer expired the following Wednesday, May 28, 2003, at 5:00 p.m. The Mayor then asked for a motion from the Council authorizing the Recorder to make a decision between TML Bond Fund and Suntrust and send a letter accepting the offer by the appropriate time. Councilmember Bryant made the motion. Councilmember Ruffin seconded the motion and it passed unanimously.

There being no other business to come before the Council, the special called meeting was adjourned.

THE COUNCIL THEN BEGAN A BUDGET WORK SESSION AND THE FOLLOWING NOTES WERE TAKEN:

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The first department head to address the Council was Bill Wagner, the Building Inspector. The Council briefly discussed the Building Inspection Department. Bill informed the Council of the anticipated revenue for permits from the Alexian Village renovations.

The next department to be discussed was the Recycle Department with Bill Wagner, the Director. The Council made several inquiries on items including the savings to the Town on landfill hauling fees. Vice-Mayor Leonard noted that the Town was cited as a model for recycling at an elected officials school that he had attended.

Next the Council discussed the Stormwater Utility Department with Bill Wagner, Chairman of the Stormwater Committee, and Art Parry, Vice-Chairman of the Committee. Bill informed the Council that of the approximate \$150,000 in fees for the current year all had been received but about \$2,000 involving about 40 bills. Art explained the drainage work that was planned for Cauthen Way. After a brief discussion, the Council moved on to the next department discussion.

The Council then discussed the Street Department with Art Parry, Town Engineer, and head of the department. Art Parry explained that everything was about the same as last year. He did state that he was working three employees short in the workforce. The Council discussed various items including equipment and the guardrails for Mississippi Avenue. In response to a question from the Mayor, the Town Manager stated the guardrails would be completed by August 20, 2003.

After the general fund street department discussion, the Council discussed with Art the State Street Aid Fund. Art explained the plan for paving three miles of road every year in order to repave all Town streets every twenty years. The Council made several inquiries and discussed the sidewalks. Hershel stated that the sidewalks would be completed by the fall.

The Council next discussed with Art Parry the Sanitation Fund. They discussed revenue for backdoor garbage, the location of the transfer station and when the Town might have to relocate the transfer station.

Next the Council discussed with Diana Campbell, the Finance Director, the Judicial and Finance Administrative Department. They asked questions and discussed several items.

The Mayor then brought up the issues in the budget of salary raises and health insurance. The Mayor noted that the budget contained a 3% average salary increase for employees. The Council then talked about the increase in wages and how the increase was determined. They discussed how the Town employees' wages are lower than other towns and how Town employees could be brought up to scale. Vice-Mayor Leonard explained the plan for the personnel committee and how to address the low paid employees of the Town.

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The Mayor noted that the budget included health insurance premiums from Blue Cross/ Blue Shield increased by 10.9%. He also noted the Town had lowered the premiums from the original renewal rate by increasing the out-of-pocket amount employees must pay. The Council discussed the percentage amount the employee pays for health coverage.

The Council then agreed on the raise in wages and the health insurance included in the budget figures.

Next the Council discussed the contribution changes from the previous week's work session and agreed on the following contributions: Welfare Council \$1,000, WRES \$1,000, Mountain Education Fund \$0, WTCI \$0, Police Memorial Fund \$1,000, Hamilton County Resource Officer \$0, the Swim Team \$0, and Chattanooga for the roundabout at the bottom of the W road \$8,600. They also agreed to add to the budget Thrasher Gym – Potential Bond Responsibility \$5,000. The Council then agreed to spend \$50,000 on Hedges field.

There being no other items before the Council, the discussions then ended.


JIM ALTHAUS, Mayor


Recorder