

*****February 28, 2014*****

The Signal Mountain Town Council held a special agenda meeting on Friday, February 28, 2014 at 10:00 a.m.

Those present were: Mayor Bill Lusk
Vice Mayor Susan Robertson
Councilmember Annette Allen
Councilmember Dick Gee
Councilmember Bill Wallace

Others present were: Interim Town Manager Boyd Veal
Finance Director/Recorder Carol White
See attached list for others present

Mayor Bill Lusk asked the Council its preference on how to proceed with hiring a new Town Manager. Following discussion of various skills Council Members said that they desired in a Town Manager, Mr. Lusk stated that currently the best fit for the position seems to be Interim Town Manager and Police Chief Boyd Veal. He stated that he has been very pleased with his service as Interim and explained that Mr. Veal has uncovered and tied up a lot of loose ends and that employee morale is good.

Vice Mayor Susan Robertson made a motion to appoint Boyd Veal as the permanent Town Manager. Mayor Lusk seconded the motion. All present being in favor, the motion was approved.

Mayor Lusk made a motion that the effective date of the Town Manager appointment should be March 1, 2014. Vice Mayor Robertson seconded the motion. All present being in favor, the motion carried.

Vice Mayor Robertson made a motion to pay Mr. Veal a salary of \$90,376.00 per year as Town Manager. Councilmember Gee seconded the motion. All present being in favor, the motion was approved.

The Council also discussed the position of Police Chief. Mr. Veal stated that he would prefer that Capt. Ogradowczyk remain as Acting Police Chief for the next several months. The Council also discussed the problem of continuing turnover in the Police Department because of the Town's non-competitive salary structure. In addition, the Council discussed the current pay structure for the entire Town. After further discussion, the Council asked Mr. Veal to compare the Town's pay plan with those of other communities. He will report back to the Council at a later time.

The March 10, 2014 regular meeting agenda was discussed as follows:

- Resolutions: Honoring Various Departments
- Resolution: Bank Authorized Signatures
- Ordinance: Zoning Changes, First Reading
- Ordinance: Budget Amendment FY 2013-2014

Vice Mayor Robertson suggested that the Town needs to re-negotiate its contract with Phil Noblett, Town Attorney, for actual hours worked instead of paying him a fixed amount regardless of how much he works. Mayor Lusk said that he would call Mr. Noblett and discuss the matter with him.

RESOLUTIONS

1. "A RESOLUTION APPOINTING BOYD VEAL AS PROXY FOR THE TOWN OF SIGNAL MOUNTAIN'S REPRESENTATIVE, BILL LUSK, ON THE CHATTANOOGA-HAMILTON COUNTY/NORTH GEORGIA TRANSPORTATION PLANNING ORGANIZATION."

Mayor Lusk motioned to approve the resolution. Councilmember Gee seconded the motion. All present being in favor, the motion was approved.

2. "A RESOLUTION AUTHORIZING THE TOWN MANAGER TO PURCHASE THREE (3) 2014 FORD POLICE INTERCEPTORS, TENNESSEE STATE BID NUMBER 40034, FROM GOLDEN CIRCLE AUTO GROUP, JACKSON, TENNESSEE, FOR A TOTAL AMOUNT NOT TO EXCEED SEVENTY ONE THOUSAND FIVE HUNDRED SEVENTY FIVE AND 23/100 (\$71,575.23) DOLLARS TO BE USED BY THE POLICE DEPARTMENT FOR THE TOWN OF SIGNAL MOUNTAIN."

Mr. Veal explained that the actual cost could be less if we qualify for a 7% prompt payment discount. He also explained he recently learned that today is the last day these vehicles may be ordered for this model year. Councilmember Allen made a motion to approve the resolution. Councilmember Wallace seconded the motion. The motion was approved unanimously.

3. "A RESOLUTION AUTHORIZING THE TOWN MANAGER TO ENTER INTO A CONTRACT FOR PROFESSIONAL SERVICES OF ADMINISTRATIVE HEARING OFFICER WITH CHARLES W. POSS AS AUTHORIZED BY TENNESSEE CODE ANNOTATED, SECTIONS 6-54-1001 THROUGH 6-54-1018 AND SECTIONS 12-801 THROUGH 12-817 OF THE TOWN CODE."

Mr. Veal stated that the Council has already appointed Mr. Poss, but that a contract had not yet been formerly authorized. A contract has now been reviewed and agreed upon by Mr. Noblett and Mr. Poss. Councilmember Wallace motioned to approve the resolution. Councilmember Gee seconded the motion. All present being in favor, the motion was approved.

4. "A RESOLUTION AUTHORIZING THE TOWN MANAGER TO ENTER INTO AN AGREEMENT WITH ROCK-TENN CONVERTING COMPANY TO SELL SCRAP AND RECYCLED MATERIALS GATHERED AT THE TOWN'S RECYCLE CENTER TO ROCK-TENN CONVERTING COMPANY WITH THE PRICING OF SAID MATERIALS BEING BASED ON MARKET CONDITION. A COPY OF SAID AGREEMENT IS ATTACHED HERETO."

Mr. Veal explained that Rock-Tenn is a sole source vendor. He stated that the compensation received is fair and that Ms. Lorretta Hopper, Public Works Director, is satisfied with the relationship between the Town and Rock-Tenn.

Mayor Lusk made a motion to approve the resolution. Councilmember Allen seconded the motion. The motion was approved unanimously.

DISCUSSIONS

Mr. Veal explained that all documents and information necessary for a loan application have been compiled and staff is ready to proceed with the initial resolution. This resolution needs to be very specific as to fund allocations and what the funds are to be used for. The Council agreed that they would request funds for construction of a public works facility, including equipment and furnishings; construction and equipping a fire station; and for repair, renovation, improvement and upgrade of existing municipal facilities. Mr. Veal stated that there is no obligation to draw down more funds than are needed to complete these goals.

In addition, the Council requested that, in the upcoming budget, \$500,000 from the General Fund fund balance be set aside to use to start a municipal facilities repair and maintenance fund.

Mr. Veal informed the Council that the Signal Mountain County Club's lease was reviewed recently as a major business in the town. It was ascertained that, at that time, no increases in tax reassessments had been applied to the lease payment since 2005. Mr. Veal explained that the lease payments should have been adjusted in 2009 and 2013. He estimates that there would have been a 17% increase in 2009 and a 7% increase in 2013.

Mr. Robert Morrison, President of the Signal Mountain Country Club, explained that the Country Club budget begins in January, and therefore all dues have already been determined for this year. He informed the Council that it would be a hardship for the Club to have to make a substantial lease payment increase at this time.

Mr. Veal stated that he is in the preliminary stages of investigating this matter. He explained that there are recent state statutes that may also have an impact on this issue. He said that he will need to clarify the issues and will update the Council at a future meeting.

Mr. Morrison requested that the Council consider extending its contract with the Country Club. He explained that the current lease expires in 2016 and that financing requires a minimum 3 ½ year term. In addition, he requested that the Council consider leasing additional Town property, which it currently uses as a playing field and park, to the Country Club.

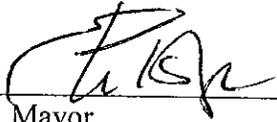
The Council discussed various options as to how to implement a lease payment increase. Mayor Lusk suggested that any increase be assessed from July 1, 2014, but not imposed until the Country Club's new budget begins in 2015 at which time the Country Club would begin paying the new rate and would reimburse the Town for the amount of the increase it should have paid between July 1 and December 31.

Mr. Veal informed the Council that there would be a bank resolution on the next agenda. This resolution would establish the authorized signatories for the Town's bank accounts. During discussion, Vice Mayor Robertson said there was a need for a third staff person to have signatory authority. In addition, she also stated the need to have someone who can perform as the Acting Town Manager from time-to-time.

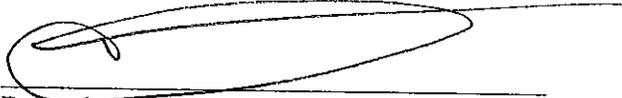
Councilmember Allen explained that a Zoning Amendment Ordinance that will be on the next Council agenda pertains to the section on accessory structures. She explained that the Planning Commission in its review of the Zoning Ordinance has deemed this section to be lacking in some substantive regulations. Councilmember Allen then reviewed the proposed changes included in the Ordinance with the rest of the Council members.

Councilmember Wallace informed the Council that Governor Haslam has sent some proposed legislation to TN American Water. This legislation could require TN American to collect a TRA (Tennessee Regulatory Authority) pass through surcharge. Mr. Veal stated that next month's agenda session will probably include a representative from TN American.

There being no further business, the meeting was adjourned.



Bill Lusk, Mayor



Recorder