

The Signal Mountain Town Council held a worksession on Friday, June 24, 2016 at 12:30 p.m.

Those present were: Mayor Dick Gee  
Vice Mayor Bill Wallace  
Councilmember Chris Howley  
Councilmember Bill Lusk  
Councilmember Robert Spalding

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

Mayor Gee led the pledge of allegiance. A moment of silence was observed.

### Resolutions

1. "A RESOLUTION TO ADOPT THE TOWN OF SIGNAL MOUNTAIN INTERNAL CONTROLS MANUAL AS THE OFFICIAL INTERNAL CONTROLS POLICY DOCUMENT FOR THE TOWN OF SIGNAL MOUNTAIN."

After discussion, the Council determined that a Section 3 should be added that requires an annual review by the Council of the Internal Controls Policy.

Councilmember Howley motioned to approve the resolution with the addition. Mayor Gee seconded the motion. All present being in favor of the amended resolution, the motion was approved.

2. "A RESOLUTION AUTHORIZING THE TOWN MANAGER TO ENTER INTO A RENEWAL CONTRACT WITH SUN LIFE FINANCIAL INSURANCE COMPANY FOR DENTAL INSURANCE COVERAGE FOR TOWN OF SIGNAL MOUNTAIN EMPLOYEES AT THE RATE OF \$26.50 PER MONTH FOR INDIVIDUAL EMPLOYEES AND \$82.44 PER MONTH FOR EMPLOYEES AND THEIR FAMILIES EFFECTIVE JULY 1, 2016 THROUGH JUNE 30, 2017."

Town Manager, Boyd Veal, explained that this company provides the current dental policy. He explained that with the change to the State plans, this coverage would be an additional choice for dental insurance for employees.

During discussions, the Council determined that the Town's budgeted contribution rate for dental insurance would stay the same and that the additional costs of this coverage will be paid by the employees.

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

## Discussion

Mr. Veal presented the Council with a draft of an Uncollectible Accounts Receivable Write-Off Policy. He explained that this policy was developed at the Councils' request at the last worksession. Mr. Veal asked the Council to determine the level of approval authorizations to write-off accounts for the Finance Director and Town Manager. He requested the Council review the policy and provide any changes they required in time for the item to be placed on the next regular meeting agenda.

Councilmember Spalding explained that the Centennial Committee met this month and will meet on a regular basis from now on. He informed the Council that they have elected Patrick Emanuel as interim president and that Cathy Barker has applied for one of the two vacant committee positions. Following discussion, the Council asked that Ms. Barker's application be placed on the next regular meeting agenda for consideration. Council asked that the Centennial Committee give a brief presentation on the proposed plans for the centennial celebration at the August or September meeting.

Mr. Veal said that in previous meetings, the Council had asked for revisions to the Debt Policy regarding the use of variable rate debt and limitations to the total outstanding debt allowance. He explained that he has collaborated with Councilmember Howley regarding revised language in the Types and Limits of Debt section, first paragraph. Mr. Veal said they recommend limiting the outstanding debt payments to 35% of the General fund operating expenditures, excluding any expenditures funded by fund balance. In addition he said the limit calculation would exclude any debt underwritten through a dedicated tax revenue.

The Council had extensive discussions regarding use of variable rate debt. Council decided to eliminate paragraph 8 in the Use of Variable Rate Debt section. Several alternative methods were discussed including limiting variable rate borrowing to an amount that fund balance can pay off if needed unless funded through a dedicated tax or revenue source, having the ability to refinance if needed because of market conditions, or changing the limit to 200% of available funds. Council requested that Mr. Veal bring Council proposed language for further discussion at a future meeting.

Mayor Gee gave a brief overview of the actions the Council took at the last meeting by authorizing two Request for Proposal's (RFP's) in order to obtain cost estimates for the renovation of Building A and the demolition of all other buildings at the Mountain Arts Community Center (MACC). He said the next step is to consider the replacement of the demolished buildings in order to allow MACC programs to continue.

Mr. Veal stated that he had considered how the MACC would continue to function as the Council examines the best way to proceed. He said he began looking at not just the needs of the MACC but also other issues faced by the Town regarding its facilities. He said that the current Town Hall facility does not work well for the requirements of the public, citing, among many other issues, the lack of privacy at the front counter.

Mr. Veal then made a suggestion based on the Town's current progress in obtaining additional field space for athletics. He proposed that if additional athletic field space is obtained, a new Town Hall be built at Hedges Field and the current Town Hall facility be remodeled to accommodate the MACC programs. He explained this will allow the Town Hall to be sequestered from the recreation facilities

with its own parking and entrance and at the same time will get the MACC programs into a facility that will be remodeled to fit the needs of their classes.

Mr. Veal asked the Council to authorize obtaining prices for the design costs to remodel the current Town Hall and to design a new Town Hall facility.

The Council discussed the evident sentiment to preserve the original MACC structure, currently referred to as Building A. Councilmember Spalding commented on how residents lament the loss of the old fire station. Council spoke about various funding options, including doing minimal repair and seeking funding from grants and private donations to complete the renovations.

During discussions, many options and suggestions arose. Mr. Veal suggested renovating Building A to allow the use of the auditorium for performances that could not be achieved in the Town Hall facility. Mayor Gee suggested building a new 12,000 square foot building to replace the portion of the MACC currently being considered for demolition.

Among other discussions, Council agreed that the Town could give up the MACC Building A if needed to get adequate space for the MACC programs. They restated their objective to keep the structure and the possibility of doing the minimum needed to preserve the front and the need to seek funding through grants.

Mayor Gee made a motion to obtain quotes/proposals to perform preliminary design and to determine estimated construction costs for:

- 1) new facility of approximately 12,000 square feet to accommodate MACC programs
- 2) renovation of existing Town Hall footprint to accommodate MACC programs
- 3) new facility to house Town Hall operations

Councilmember Lusk seconded the motion. All present being in favor, the motion was approved.

Council further agreed to hold the publishing of the RFP they authorized at the last meeting to seek construction costs associated with the physical needs assessment for Building A and to proceed with the RFP they authorized to obtain costs to demolish the portions of the MACC facility constructed subsequent to the original 1926 Building A.

### **Board Liaison Reports**

Councilmember Spalding informed the Council that the DRC will meet next week. He also asked that a resolution appointing Cathy Barker to one of the vacant positions on the Centennial Committee be placed on the next regular meeting agenda.

Councilmember Lusk said he attended a transportation planning meeting on Wednesday. He explained that the Taft Highway bike/ped path project is back on the TPO grant list. He said this was because funds generated by growth were left out of the original revenue projects for these projects. Councilmember Lusk stated that project costs of approximately \$488,000 qualify for 100% funding grant and that this project might go to construction by next summer.

Manager's Report

Mr. Veal said he is currently reviewing the submissions for an architectural services for the new fire station. He said that a portion of the lot for the new fire station on Shackleford Ridge has been cleared.

He informed the Council that an alternate route has been established and the new bridge on Shoal Creek Falls will remain in the same location as the current structure.

He said the James Boulevard project is expected to go to bid for construction this summer. He explained the Town is awaiting approval for the water line engineering which has been sent to the State.

Mr. Veal said that the RFP for the water department has been reviewed by the MTAS utility consultant and will soon be sent to Councilmember Howley and Town Attorney, Phil Noblett for final revisions. He said that he has been compiling documentation of water easements to go with the final document. Mr. Veal recommended the Council consider hiring a professional to handle the RFP process including evaluating the proposals and reviewing the technical issues. He said that, in addition, the Town needs to obtain a valuation of the system separate and apart from the RFP process, timed so that the valuation is completed after receipt of the RFP proposals.

Council discussed a tentative agenda for the July 11, 2016 regular meeting.

There being no further business, the meeting was adjourned.

  
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Dick Gee, Mayor

  
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Recorder