

*****June 29, 2009*****

The Signal Mountain Town Council held a special agenda meeting on Friday, June 29, 2009 at 10:00 a.m. in the Town Hall. Those present were:

Mayor Bill Lusk
Vice Mayor Susan Robertson
Councilmember Hershel Dick
Councilmember Paul Hendricks

Councilmember Annette Allen was out-of-town.

Others present were: Town Manager Honna Rogers
Town Recorder Mark Johnson
Town Attorney Phil Noblett

The following resolutions were presented:

1. "A RESOLUTION SUPPORTING AND APPROVING THE NEW MISSION STATEMENT OF THE MACC BOARD AND COMMENDING THE WORK OF THE MACC BOARD." Councilmember Hendricks moved and Mayor Lusk seconded that the resolution be approved. The motion passed unanimously.
2. "A RESOLUTION AUTHORIZING THE TOWN MANAGER TO EXTEND THE WATER PURCHASE AGREEMENT WITH TENNESSEE AMERICAN WATER COMPANY FOR A TERM OF THREE (3) YEARS BEGINNING JULY 1, 2009 THROUGH JUNE 30, 2012, WHICH INCLUDES A WATER PURCHASE RATE INCREASE FROM \$1.061 PER 1,000 GALLONS TO \$1.1969 PER 1,000 GALLONS AS SHOWN ON THE ATTACHED AGREEMENT." Ms. Rogers explained that Tennessee American Water Company sells water to the Town in CCF units, whereas the Town sells water to customers in gallons. The differential within this conversion creates an additional cost that is absorbed by the Town. The Council discussed whether or not to adjust the rate increase to customers to cover the costs. Councilmember Hendricks moved and Mayor Lusk seconded that the rate increase from Tennessee American be approved, but other terms of the contract be negotiated with Tennessee American. The motion passed unanimously. Councilmember Hendricks moved and Councilmember Dick seconded that a related ordinance to increase Town customer water rates be postponed until the July 13th regular meeting. The motion passed unanimously.

The following ordinances were presented:

1. "AN ORDINANCE TO AMEND ORDINANCE NO. 2008-06, ENTITLED THE "FY 2008-2009 BUDGET ORDINANCE" SO AS TO PROVIDE FOR CERTAIN ADDITIONAL REVENUES RECEIVED IN THIS BUDGET YEAR

IN THE AMOUNT OF EIGHT HUNDRED AND NINETY FOUR THOUSAND FOUR HUNDRED AND SEVENTY FOUR AND 00/100 DOLLARS (\$894,474.00) WHICH SHALL BE USED FOR ADDITIONAL EXPENDITURES IN THE GENERAL FUND BUDGET AND WHICH SHALL INCLUDE A DECREASE IN THE FINANCE ADMINISTRATION DEPARTMENT IN THE AMOUNT OF NINETEEN THOUSAND FOUR HUNDRED AND NINETY SIX AND 00/100 DOLLARS (\$19,496.00); FOR ADDITIONAL PROFESSIONAL SERVICES IN THE JUDICIAL DEPARTMENT IN THE AMOUNT OF ONE THOUSAND SEVEN HUNDRED AND 00/100 DOLLARS (\$1,700.00); FOR A DECREASE IN THE BUILDING INSPECTION DEPARTMENT IN THE AMOUNT OF FOUR THOUSAND ONE HUNDRED AND FIFTY THREE AND 00/100 DOLLARS (\$4,153.00); FOR A DECREASE IN THE POLICE DEPARTMENT IN THE AMOUNT OF THIRTY THOUSAND ONE HUNDRED AND THIRTY SIX AND 00/100 DOLLARS (\$30,136.00); FOR A DECREASE IN THE FIRE DEPARTMENT IN THE AMOUNT OF EIGHTY ONE THOUSAND TWO HUNDRED AND FIVE AND 00/100 DOLLARS (\$81,205.00); FOR A DECREASE IN THE PUBLIC WORKS DEPARTMENT IN THE AMOUNT OF SIXTY THOUSAND FOUR HUNDRED AND FOURTEEN AND 00/100 DOLLARS (\$60,414.00); FOR ADDITIONAL UTILITY CHARGES AND REPAIRS IN THE RECREATION DEPARTMENT IN THE AMOUNT OF SEVENTEEN THOUSAND AND 00/100 DOLLARS (\$17,000); TO PROVIDE FOR ADDITIONAL UTILITIES AT THE MOUNTAIN ARTS COMMUNITY CENTER IN THE AMOUNT OF ONE THOUSAND AND 00/100 DOLLARS (\$1,000.00); TO PROVIDE FOR ADDITIONAL FUNDING ON PRINCIPAL PAYMENT IN DEBT SERVICE IN THE AMOUNT OF SEVEN HUNDRED AND FIFTY EIGHT THOUSAND ONE HUNDRED AND SEVENTY EIGHT AND 00/100 DOLLARS (\$758,178.00); FOR AN ADDITIONAL TRANSFER TO THE SOLID WASTE FUND FOR CAPITAL PROJECTS, SALARIES, AND CONTRACT SERVICES IN THE AMOUNT OF THREE HUNDRED AND TWELVE THOUSAND AND 00/100 (\$312,000.00), AS SET FORTH IN THE ATTACHED AMENDED BUDGET DURING THIS FISCAL YEAR. ALSO, TO PROVIDE FOR CERTAIN ADDITIONAL REVENUES RECEIVED IN THE FY 2008-2009 BUDGET YEAR IN THE AMOUNT OF THREE HUNDRED AND THIRTY FIVE THOUSAND THREE HUNDRED AND EIGHT AND 00/100 DOLLARS (\$335,308.00) WHICH SHALL BE USED FOR ADDITIONAL EXPENDITURES IN THE SOLID WASTE FUND BUDGET FOR ADDITIONAL CAPITAL PURCHASES AND SALARIES IN THE PUBLIC WORKS DEPARTMENT AND ADDITIONAL CONTRACT SERVICES IN THE RECYCLE DEPARTMENT IN THE AMOUNT OF THREE HUNDRED AND THIRTY FIVE THOUSAND THREE HUNDRED AND EIGHT AND 00/100 DOLLARS (\$335,308.00).” Vice Mayor Robertson moved and Councilmember Hendricks seconded that the ordinance be approved. The motion passed unanimously.

2. "AN ORDINANCE TO ADOPT THE RATE OF TAXATION ON ALL TAXABLE PROPERTY IN THE TOWN OF SIGNAL MOUNTAIN HEREINAFTER KNOWN AS THE 'FY 2009-2010 BUDGET ORDINANCE' TO PROVIDE REVENUE FOR THE TOWN OF SIGNAL MOUNTAIN DURING THE FISCAL YEAR BEGINNING JULY 1, 2009 AND ENDING JUNE 30, 2010, AND APPROPRIATING SAME TO THE PAYMENT OF THE EXPENSES OF THE MUNICIPAL GOVERNMENT DURING SAID FISCAL YEAR; FIXING THE RATE OF TAXATION ON ALL TAXABLE PROPERTY IN THE TOWN OF SIGNAL MOUNTAIN FOR FISCAL YEAR 2009-2010 AND THE TIME TAXES AND PRIVILEGES ARE DUE, HOW THEY SHALL BE PAID, WHEN THEY SHALL BECOME DELINQUENT; AND PROVIDING FOR INTEREST AND PENALTIES ON ALL DELINQUENT TAXES AND PRIVILEGES OWED TO THE TOWN OF SIGNAL MOUNTAIN; AND APPROPRIATING SAME TO THE PAYMENT OF THE EXPENSES OF THE MUNICIPAL GOVERNMENT DURING SAID FISCAL YEAR." Councilmember Dick moved and Councilmember Hendricks seconded that the ordinance be approved. The motion passed unanimously.
3. "AN ORDINANCE TO AMEND ORDINANCE NO. 2008-06, ENTITLED THE 'FY 2008-2009 BUDGET ORDINANCE' SO AS TO PROVIDE FOR CHANGES IN LINE ITEMS FOR THE DRUG FUND, AS SET FORTH IN THE ATTACHED AMENDED BUDGET." Vice Mayor Robertson moved and Councilmember Hendricks seconded that the ordinance be approved. The motion passed unanimously.
4. "AN ORDINANCE AMENDING SECTION 18-107 OF THE TOWN CODE TO ESTABLISH NEW TAP FEES AND DELINQUENT FEES IN THE WATER RATES WITHIN THE TOWN OF SIGNAL MOUNTAIN." Councilmember Hendricks moved and Vice Mayor Robertson seconded that the ordinance be approved. The motion passed unanimously.

The agenda for the July 13th regular meeting was discussed as follows:

- An ordinance establishing new water rates.
- A resolution prohibiting handguns in local parks. State law issues were discussed.
- The department head reports will not be given because of the anticipated length of the public hearings scheduled to occur during the meeting.
- Public Hearings regarding amending uses and definitions to Community Commercial District zoning and repeal of the Shackleford Ridge Overlay Zone.
- The reading of several ordinances relating to the re-zoning of the old middle school property prior to the SROZ hearing.
- A possible resolution honoring Dr. Paul Nolan Councilmember Hendricks agreed to contact Mrs. Nolan about this.

The sign ordinance was discussed. A citizen had contacted Ms. Rogers with a request that the Middle School sign be kept. Other options for the sign were discussed. Vice

Mayor Robertson suggested a permanent site on public property be dedicated to a school sign so that the sign could be rebuilt not only to be aesthetically pleasing but to conform with the sign ordinance. Councilmember Hendricks raised the question of who would pay for it. He volunteered to talk to school officials and parents to see what ideas they may have. Options for a new Town sign were also discussed, including an idea of having a shared town/school sign. Possible locations were discussed as well. Finally, the Council agreed to postpone further discussion until school officials could be contacted.

Town Intern Tracy Baker presented an analysis of the local sales tax rate. The Council discussed the effect of possibly increasing the Town rate from 2.25% to 2.75% by means of a special election. If the Town does not increase the sales tax, according to Ms. Baker, it is possible that the State of Tennessee will collect the additional tax instead. She explained many cities in Tennessee had already passed such an increase and earmarked the proceeds for schools, special projects or capital improvements. Further discussion was postponed until the July 30th agenda meeting.

Chief Veal was present for a discussion of the County 911 Board. Councilmember Hendricks moved and Councilmember Dick seconded that Police Chief Boyd Veal be nominated to represent the Town on the Board.

Chief Veal introduced a new officer – Cory Sharpless.

Ms. Rogers informed the Council that a citizen had recently spoken angrily and inappropriately – using profanity – to an employee and had done so to others previously. The Council agreed to allow Ms. Rogers and Mayor Lusk to send the citizen a letter on the Council's behalf informing him that such behavior is inappropriate will not be tolerated.

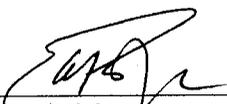
The cost of the repair project at Palisades Drive and Shoal Creek Road was discussed. Ms. Rogers was pleased with the work. The cost was reasonable and the repair was professionally and well done.

Ms. Rogers revealed that Volkert is performing a new traffic study at no cost to the Town. The TPO found the first study unsatisfactory.

The Council and Ms. Rogers discussed a proposed Town Manager Contract. Specific concerns were term limits and termination leave notice. Ms. Rogers's yearly goals were also discussed. The Council agreed to complete the discussion of these issues at the next agenda session, when the goals and contract provisions have been consolidated into concise documents.

The next agenda session was scheduled for July 31st at 10:00 a.m.

There being no further business, the meeting was adjourned.



Bill Lusk, Mayor



Recorder