MINUTES OF THE CITY OF BRISTOL, TENNESSEE
CITY COUNCIL MEETING

January 8, 2019

CALL TO ORDER:
The City of Bristol, Tennessee City Council meeting was called to order by Mayor Margaret Feierabend on Tuesday, January 8, 2019, at 7:00 p.m. in the Slater Center Auditorium.

ROLL CALL:
Present: Mayor Margaret Feierabend, Vice Mayor Michelle Denise, Councilman Chad Keen, Councilwoman Lea Powers, and Councilman Jack Young.

Others Present: City Manager William Sorah, City Attorney Danielle Kiser, City Recorder Tara Musick, and members of City staff.

INVOCATION AND PLEDGE OF ALLEGIANCE:
Kathy Vaughan, YWCA Executive Director of Bristol, gave the invocation and also a brief summary of events celebrating Martin Luther King, Jr. Elliot Stout, an elementary school student and a Nature Center Volunteer, led the pledge of allegiance.

AGENDA ADDITIONS AND/OR CHANGES: None.

PROCLAMATIONS AND RECOGNITIONS:
Jeremy Stout, Nature Center Manager for Parks and Recreation, was nominated for the Bristol First Award for exceptional service and good attitude. Terrie Talbert, Director of Community Relations, presented the award to Mr. Stout.

PRESENTATIONS:
FY 2018 Comprehensive Annual Financial Report (CAFR) – Matt Hill of Mauldin and Jenkins presented the Independent Auditor’s Report for the year ended June 30, 2018. Mauldin and Jenkins performs approximately 300 governmental audits each year. They test and provide assurances of the financial statements that are prepared by the management of the entity they are auditing and then state their unmodified opinion of the financial statements, the internal controls over the financial statements and that process, and unmodified opinion of scheduled expenditures, federal awards, and federal programs based on the guidelines provided by the federal government. They look at the internal control structure and analyze processes to see if adjustments are needed, which would result in an audit finding. There were no audit findings resulting in a ‘clean’ audit. Mr. Hill commended City Manager Sorah, Finance Director Tara Musick, and City staff for doing an excellent job.

The City participates in a voluntary program through the Government Finance Officers Association (GFOA) to whom they submit the information required by the state and federal governments, as well as additional information going above and beyond what is required in order to qualify for the GFOA Certificate of Financial Reporting. Prior budgets have received the GFOA Certificate for several years,
consecutively and he feels sure this effort will receive the award as well. The City not only does everything required, but goes the extra mile to include additional information that may be useful to any readers of the financial statement, which is a testament to management and the City as a governing body.

Mr. Hill then gave a brief overview of the CAFR, which consists of 258 pages. A big change in the standards this year did not really effect the City much, but was something significant he wanted to point out. The ‘Management’s Discussion and Analysis’ section provides a good summary of everything that is in the financial statements themselves and provides them in context as well. He then discussed the ‘Statement of Net Position’, which is similar to a balance sheet for private businesses. A specific change this year is the ‘Net OPEB Liability’ listed under ‘Liabilities’. The City has four plans all together between the schools, BTES, and the City that are set up to provide post-employment benefits other than pensions. This is nothing new and the information has always been included, but has never been listed as a liability. While this is a relatively large amount, the City is in good shape as this item is fairly well funded. He went on to explain the remaining groups in this section.

The next section Mr. Hill discussed was the ‘Statement of Activities’, which lists the expenditures and revenues for each activity, thus providing the change in net position or the net income. He continued with fund levels which starts with the prior information, minus the assets and liabilities, leaving the fund balances of which the General Fund is usually the most important consideration for the City in meeting cash needs. The ‘Unassigned’ fund balance is then compared with the expenditures to obtain a ratio, with forty percent (40%) as a desired rate. The City is above forty percent so there is a healthy fund balance in order to support the current needs, which helps to prevent delays or funding issues for certain projects.

The following section is the ‘Statement of Revenues, Expenditures, and Changes in Fund Balances’, similar to an income statement or a statement of activities. This shows the expenditures from the General Fund and includes ‘Transfers In / Transfers Out,’ which is where monies from the General Fund are sent out to another fund to support certain operations.

The other main section Mr. Hill discussed was the ‘Statement of Cash Flows – Proprietary Funds’. Proprietary funds operate more like a business, where there are fees for services to support specific operating activities instead of being supported by taxes and includes services such as electric, stormwater, and waterworks. This is what funds replacing capital assets or financing new debt.

The final item reviewed was a footnote that summarizes the different plans the City is responsible for in terms of the OPEB liabilities that he previously mentioned. The remainder of the document basically supports the financial statements themselves. The ‘Statistical Section’ provides non-financial information, such as demographics and employee trends, and is part of the additional information provided that contributes to being awarded the GFOA Certificate of Excellence he mentioned earlier in this presentation.

Councilwoman Lea Powers requested Mr. Hill expand on the ‘Debt Capacity’, listed in the ‘Statistical Section’. He explained there are certain legal requirements that state an entity can only issue a certain percentage of debt based on expenditures and revenues. This schedule is simply a record of those transactions to ensure the City does not exceed the limit to legally issue debt. It actually refers to bonded debt and the City currently does not have any liabilities that meet the criteria for inclusion based on the GFOA guidelines.
Mayor Feierabend asked how the CAFR would be made available to the public and City Manager Sorah replied it would be available on the City’s website.

**FY 2018 Accomplishments Video** – Terrie Talbert, Director of Community Relations, presented a video reviewing some of the accomplishments of the City throughout Fiscal Year 2018. The video used creative motion graphics to showcase the high points of the accomplishments of last fiscal year. The goal of the video was to bring to life all the effort of the community to make Bristol the place that it is, while also recognizing the time, energy, and leadership City Council puts forth each year, and the work City staff does to ensure the standards imparted by City Council have been met.

Councilwoman Powers expressed her appreciation of the video and the talents of the community relations staff in the creative and fun presentation of many of the accomplishments of the City.

**PUBLIC HEARINGS:**

Mayor Feierabend opened the Public Hearing.

**Ordinance 18-11 – An Ordinance to Amend the Zoning Map of Bristol, Tennessee by Designating Certain Property as B-3 (General Business) English Street Area**

City Manager Sorah stated Ordinance 18-15 deals with the proposed rezoning of property along English Street, Melrose Street, 7th Street, and Volunteer Parkway. There are fifteen parcels in this area, three of which are owned by the City. Last fall, staff received a request from the owner of three of the parcels for consideration of rezoning from M-1 (Light Industrial / Business) to B-3 (General Business / Commercial). Staff examined the entire area for the appropriateness of the request and found the entire fifteen-parcel area was suitable for rezoning to B-3. Staff made the recommendation to the Planning Commission at their November 19th meeting and received a favorable recommendation. Ordinance 18-15 was approved on first reading at the December 4th meeting of City Council. City Manager Sorah requested Tim Beavers, Director of Community Services, give further details.

Mr. Beavers said the request by Mr. Carl R. Moore, Jr. was to enable possible construction of residential development on his three parcels. The current zoning of M-1 (Light Industrial / Business) does not allow residential development. This area encompasses fifteen parcels, three of which are owned by the City with the remaining twelve parcels owned by seven property owners. The pocket of M-1 zoned properties is surrounded primarily business activity. Basically, it is a pocket of old M-1 zoned property that used to be served by rail that is now surrounded by mostly B-3 zoned properties. A review of this area shows this is a good time to zone it more appropriately based on the current uses around the property and in the area, and also based on the Future Land Use Map which shows the area as more of a commercial corridor.

Of the seven owners, two owners were not in favor of the rezoning (a machine shop, an automobile repair shop, and Hygienitech) as they did not want residential properties adjacent to them. There was another business, a machine shop, who was very difficult to contact and from whom there was no response.

Some of the uses allowed in the B-3 Zone include but are not limited to, retail businesses, offices, gas stations, auto sales / repair shops, nursing homes, and funeral homes. Any use permitted in a B-3 Zone, with the exception of funeral homes and residential uses, are allowed in an M-1 Zone. An M-1 Zone allows businesses such as ice plants, gas or flammable liquid above ground storage facilities, and coal
yards, as well as others, which was appropriate for the area years ago when M-1 was designated, but staff does not feel those are appropriate uses at this point in time in this area.

Staff recommended rezoning the area from M-1 to B-3 as it is compatible with the Future Land Use Map; the majority of the surrounding properties are zoned and used as business; and characteristics of the area are more compatible with the B-3 Zone. There were two comments from adjacent property owners that were in favor of the rezoning and no negative responses were received from any of the adjacent property owners. The Planning Commission unanimously forwarded a favorable recommendation to Council for rezoning from M-1 to B-3.

Councilman Jack Young asked how the change would affect the current business owners going forward. Mr. Beavers replied that all of the current uses of the existing businesses are allowed by right to continue in the B-3 Zone. If that were not so, they would be grandfathered in and would still be allowed to continue their current operation.

Mayor Feierabend opened the hearing for public comment. As there were none, she then closed the Public Hearing portion of the agenda.

**APPEARANCE OF CITIZENS:**

David Ring, 2020 King College Road, complimented the City on the Citizens Police Academy he attended last fall. The class consisted of eight participants and met over a nine-week period. Each class was taught by a different police officer and gave a detailed overview of several different areas of law enforcement, including topics such as traffic laws, how building searches are conducted, SWAT team tactics, the use of canines, and crime scene investigation procedures among others. Mr. Ring was an auxiliary police officer in Bristol, Virginia approximately thirty years ago, and stated the quality of this academy program as excellent and outstanding. After completing this program, he left with three impressions. Law enforcement has changed a lot since his time with the Bristol, Virginia Police Department, the technology has advanced, there is more paperwork, and more training is required. Secondly, he feels the police officers he met while participating in this class are well-trained, professional, and passionate about the work they do. Then, he commended Council for their foresight and wisdom exhibited in supporting the program, commended the officers of the police department, and said he believes the City benefits by having as many participants as possible.

Mayor Feierabend congratulated Chief Blaine Wade on the work expended by the department on this program and also reminded everyone there is a Citizens Fire Academy as well.

John Cartwright, 650 Pennsylvania Avenue, owns several properties on Pennsylvania Avenue. Using photographs, he has documented a problem with the homeless/vagrants in the area including 2nd Street and the alley between Tennessee Avenue and Pennsylvania Avenue. He and other property owners in the Fairmount area are concerned and wanted to bring it to the attention of the City.

**APPOINTMENTS:**

**Library Board** – City Council addressed the vacancy of one seat on the Library Board. Ms. Gloria Oster was unanimously appointed to the Library Board to serve a term of office ending December 31, 2021.
ORDINANCES AND RESOLUTIONS:

A. First Reading of New Ordinances: None

B. Adoption of Ordinances (Second Reading):

Ordinance 18-15 – An Ordinance to Amend the Zoning Map of Bristol, Tennessee by Designating Certain Property as B-3 (General Business Zone) – Properties Adjoining English Street and Others

This ordinance was reviewed during the Public Hearing section of the agenda. There being no further questions, Mayor Feierabend asked for a motion. Councilwoman Powers made a motion to approve the ordinance and Councilman Young seconded the motion.

The motion passed by a unanimous roll call vote.

C. Resolutions:

Resolution 19-1 – A Resolution Delegating Authority under the Border Region Retail Tourism Development District Act to the Industrial Development Board of the City of Bristol, Tennessee for a Project Located at 3269 West State Street (Hwy 11-W)

City Manager Sorah stated this item was discussed at the December 18th work session. He explained there has been recent interest in the development of a new hotel on property at 3269 West State Street. The property is situated near Exit 74 of Interstate 81 and is within the Border Region Retail Tourism District. Bristol Hospitality, LLC, is the developer and they propose to construct a minimum of a 40,000 square foot, seventy-five room, brand name hotel on this site. They have requested the use of state sales tax incentives provided through the Chapter 420 legislation. Resolution 19-1 authorizes the Industrial Development Board to enter into a development agreement with Bristol Hospitality, LLC. The agreement provides the developer with 90% of the formula for allocation of state sales tax for recovery of eligible costs associated with development of the property. They will also assume two public infrastructure improvement projects with the property, one is the extension of sanitary sewer to the project and the other is the installation of a turn lane into the property on West State Street. This will be funded by the developer through the use of the state sales tax incentive. As with similar projects, the City will retain 10% of the state sales tax increment to assist in retiring the bond the City incurred three to four years ago improving infrastructure to spur development within this region.

Councilwoman Powers asked when the border region legislation sunsets. City Manager Sorah said 2042 is the recovery period, with the initial investment period ending 2027.

There being no further questions, Mayor Feierabend asked for a motion. Councilman Young made a motion to approve the ordinance and Councilwoman Powers seconded the motion. The motion passed by a unanimous roll call vote without further discussion.

Resolution 19-2 – A Resolution Authorizing Sale of Property to Tenneva, LLC

This item was discussed at the December 18th work session. City Manager Sorah stated this is also a brand hotel proposed for the 900 block of West State Street. Earlier in the process of advancing the project, Council approved a land lease agreement to use a portion of the property that is currently utilized as a water system interconnection between the City of Bristol, Tennessee water system and that of Bristol.
Virginia Utilities. The purpose of the land lease to Tenneva, LLC was to allow the developer the opportunity to use that property for parking to support the hotel development and does not interfere with the system interconnection as that infrastructure is below ground. When the site plans for the proposed development were recently submitted to our development services department, it was noted that a portion of the building encroached upon that land lease area. The total property is 4,879 square feet. Once this particular property is encroached with structural improvements, it is important that particular footprint belong to the developer. It would have no impact on the City’s use of the property in terms of water system interconnection. Hence, staff recommends selling this particular portion of the property to the developer at a prorated cost of $7,440.00, the value of which was determined from the tax appraisal of the property and the square footage of the portion for sale. The developer is interested in acquisition of this property at the amount offered.

There being no further questions, Mayor Feierabend asked for a motion. Councilman Chad Keen made a motion to approve the ordinance and Vice Mayor Denise seconded. The motion passed by a unanimous roll call vote.

**Resolution 19-3 – A Resolution Approving Acquisition of Real Property for the Purpose of New Middle School Construction**

City Manager Sorah summarized that over the last several months, at the request of the school system, staff has brought various pieces of property within the footprint of the proposed development of the new middle school to the Council for approval for purchase. While the Board of Education (BOE) has operational and management responsibility for all property designated for the purpose of public education, ownership of the property remains vested with the City and hence, requires the approval of Council for purchase. Resolution 19-3 pertains to property located at 924 Oakland Drive at an acquisition cost of $47,200. This particular property was previously brought to Council for approval for the use of eminent domain in the event the owners could not be located. However, since that approval was given, multiple heirs have been located and they have agreed to the sale of the property. If this purchase is approved, there is only one other property to be acquired to aggregate the property necessary to proceed with the development of the middle school. The BOE approved the acquisition of this property at their December 17th meeting.

There being no further questions, Mayor Feierabend asked for a motion. Councilman Young made a motion to approve the ordinance and Councilman Keen seconded the motion. The motion passed by a unanimous roll call vote.

**CONSENT AGENDA:**

City Manager Sorah presented the Consent Agenda to Council. Councilman Keen made a motion for approval and Councilwoman Powers seconded the motion. The following items were approved by unanimous Council vote:

- Minutes December 4, 2018 City Council Meeting
- Minutes December 11, 2018 Special Work Session
- Minutes December 18, 2018 City Council Work Session
- Resolution 19-4 A Resolution Approving the Title VI Program for Bristol Tennessee Transit
BOARD OF EDUCATION Liaison Report:

Dr. Gary Lilly, Director of Schools, reported schools are open after the holiday break with teachers returning yesterday and students returning today. There was a lot of activity during the break including a three-day girls’ basketball tournament, which has taken place before Christmas for several years. However, it was rebranded this year to the ‘Arby’s Girls’ Holiday Hoops for Doc’, in reference to Doc Maples. There were eight teams for the tournament including teams from North Carolina, Kentucky, and West Virginia. After Christmas, was the Arby’s Classic with eighteen teams participating from as far away as Alaska, Utah, and the Bahamas. This past weekend was the wrestling tournament ‘Brawl in the Hall’, with twenty-five teams representing eight different states. The schools recently kicked off the ‘Vikings for Life’ fundraiser with the first project being a 6,000 square foot field house at the Stone Castle, which is already under construction. There is also a ‘Vikings for Life’ Facebook page with more information.

City Manager’s Report:

City Manager Sorah commended the staff of public works and parks and recreation on a job well done in clearing the early season heavy snowfall last month and keeping the roadways safe for the community. He reminded Council of the Martin Luther King, Jr. activities on January 21st and the day-long work session for Council beginning at 8:30 a.m. Tuesday, January 22nd at the Nature Center. This kicks off the budget season and is a good opportunity for staff to receive input from Council as to the make-up of the policy aspect of the City Budget, which is a significant policy document.

City Council Comments:

Councilman Keen thanked Jeremy Stout for all of his work at Steele Creek and interaction with all the children that visit the park and Nature Center. He commended Terrie Talbert and the staff of community relations for their work on the video that recapped last year accomplishments. He expressed his appreciation to public works, parks and recreation, police, and fire personnel that are always working on behalf of the citizens and wished a Happy New Year to all.
Councilwoman Powers wished everyone a Happy New Year as well and expressed excitement about 2019. She commented on the fiscal responsibility of the City as shown by the report and the good job done by Finance Director Tara Musick and all the finance staff. She reminded everyone to pay their City taxes as this money helps provide the income to continue to meeting the goals set. Councilwoman Powers said Tom Anderson, Director of Economic Development spoke at the Rotary Club noon meeting today and did a great job informing the members of the numerous economic development activities going on in the City as well as regionally. This included the job fair with fifty employers actively seeking to fill 2,800 jobs with only about fifteen percent being hourly wage positions. She continued by emphasizing the importance of being able to provide skilled labor to fill these positions, and the important part that, as well as the Aerospace Park, plays in being able attract more business and industry to the area. She agreed the January 22nd work session is an important day and an opportunity to get together with the department heads to discuss the budget and how to move forward.

Councilman Young stated there are several new things happening with staff already working on the new budget, new state leaders being sworn in across the state offering new relationship opportunities, and the Tennessee General Assembly is going into session. He is looking forward to going with other Council members and City staff to meet with the legislators in the next few weeks.

Mayor Feierabend mentioned the significance of receiving the work force designation. She expressed the importance of the studies that have been and are being done, such as the school study, to obtain expert opinions, data, resources, and talents before starting down a path and making investments to ensure the best decisions are made. Bristol is the only city in the Tri-Cities that does not have a place providing showers and laundry for the homeless and she mentioned a task force is working toward providing a day center to help meets the needs of the homeless who do not qualify for some of the services that are currently available. She encouraged everyone to participate in all the upcoming Martin Luther King Day activities. The Mayor mentioned the holidays and good times, but acknowledged others had difficult times such as Councilwoman Powers and offered her condolences for the death of her mother, along with the loss of two friends of Steele Creek, and the illness of her own sister.

There being no further business, the meeting was adjourned at 8:25 p.m.

Tara E. Musick, City Recorder

Margaret Feierabend, Mayor