

**MINUTES OF  
CITY COMMISSION MEETING  
MONDAY, MARCH 12 2012, 5:30 P.M.  
CITY HALL, PIGEON FORGE, TENNESSEE**

Mayor Wear called the meeting to order with the following in attendance: Vice Mayor McClure, Commissioner Brackins, Commissioner Reagan, Commissioner Robinson, City Manager Teaster, City Recorder Clabo, City Attorney Gass, members of the press and interested citizens.

Mayor Wear opened the meeting and Vice Mayor McClure led in the pledge of allegiance.

Had a retreat recently and some positive things come out of it. The board collectively came up with things that they need to do better. In addition, during public comment section all board members support a three minute time limit on comments.

**PUBLIC HEARING 1**

A public hearing to receive public comment regarding the proposed changes to the zoning map of Pigeon Forge, Tennessee by rezoning parcels E-7.00 & E-7.01 of tax map 94D located on 715 Oldham Street, Owned by Renee and Joseph Romeo, from R-1 (Low Density Residential) district to R-2 (High Density Residential) district (Ordinance No. 938).

James Overstreet and Ray Fougner signed that they were for the rezoning.

There being no further comments received, the public hearing was closed.

**PUBLIC HEARING 2**

A public hearing to receive public comment regarding the proposed changes to the zoning text of Pigeon Forge, Tennessee by adding section 712 (C-7 Planned Unit/Public Use Development District) to article VII (Ordinance No. 939).

James Overstreet and Leland Wykoff signed that they were against the rezoning text.

James Overstreet asked what original requested zone was.

Jess Davis stated he had four sworn affidavits that a secret meeting took place.

Tony Rast stated he was concerned about the parking garage wording.

Leland Wykoff stated the language seems commanding.

There being no further comments received, the public hearing was closed.

### REGULAR MEETING

The minutes were unanimously approved following motion by Vice Mayor McClure and second to motion by Commissioner Brackins.

Mayor Wear asked if there were any comments from citizens.

James Overstreet stated primary purpose of city government is to protect him and other citizens. He further stated he is against a committee that is appointed by the staff for signage as it should be an open meeting.

Tony Rast asked who owns dirt of Belle Island and will board disclose all holders and owners of tract. He further asked who paid off liens to Cherokee Group in amount of \$600,000 in October. He also noted that original settlement with Riverwalk regarding exhibit F recorded at courthouse is missing several pages (2-8) and would like a copy of documents.

Leland Wykoff discussed Ordinance 739 regarding uses permitted and uses prohibited.

Kenny Maples thanked the City for its hard work.

Phil Campbell representing Pigeon Forge Hospitality Association offered recommendation for liquor by the drink. He noted that the Association was not for or against liquor by the drink. He said: 1) action should come by citizens; 2) legislation not be pursued by State; and 3) the best time to vote would be during a general election.

Stephen Houser thanked the City for its hard work.

No further comments were received.

The authorization for the payment of bills was presented for approval. On a motion by Commissioner Brackins, second by Vice Mayor McClure, it was approved to accept the bills as noted. Commissioner Robinson noted that he was for the normal bills but opposed items in question that are not bid.

### Old Business

**Ordinance No. 938** to amend the zoning map of Pigeon Forge, Tennessee by rezoning parcels E-7.00 & E-7.01 of tax map 94D located on 715 Oldham Street, Owned by Renee and Joseph Romeo, from R-1 (Low Density Residential) district to R-2 (High Density Residential) district was presented for the second reading. Community Development Director Taylor spoke and stated this had been recommended by planning

commission and most of the other property on Oldham Street was already R-2. On a motion by Vice Mayor McClure, second by Commissioner Reagan, and with all voting "aye" the motion was approved on the second reading.

**Ordinance No. 939** to amend the zoning text of Pigeon Forge, Tennessee by adding section 712 (C-7 Planned Unit/Public Use Development District) to article VII was presented for the second reading. Community Development Director Taylor discussed the ordinance and noted it was probably the second most restrictive zone. The intent of the zone is to promote development in the City but there is nothing that obligates the City. Commissioner Robinson asked for wording change on page 1 that states "city will provide services necessary" to be changed to "city may provide services necessary". Following lengthy discussion, Commissioner Brackins made motion to approve ordinance with noted change which was seconded by Vice Mayor McClure. Community Development Director Taylor asked for clarification on residential properties. It was further discussed to add multi-family residential properties to uses permitted and strike apartments and duplexes from uses prohibited. After a friendly amendment motion by Commissioner Brackins, second by Vice Mayor McClure, the motion with changes noted was approved on the second reading. Commissioner Reagan and Commissioner Robinson voted no.

### **New Business**

**Ordinance No. 941** to amend article III, section 330.08 ("definitions") of the text of the zoning ordinance of Pigeon Forge, Tennessee to define "monument" as it relates to a ground signage was presented for the first reading. Community Development Director Taylor stated that a clear definition of a monument was needed. Mr. Taylor noted that there had been discussion about language stating monument could not be see-through and wanted to take back to planning commission for further discussion if approved on first reading but before second reading. On a motion by Vice Mayor McClure, second by Commissioner Brackins, and with all voting "aye" the motion was approved on the first reading. Following the vote, City Attorney Gass noted that it would be fine for ordinance to go back to planning commission for recommendation but procedurally the city council has power to modify ordinance if necessary.

**Resolution No. 790** authorizing the issuance of not to exceed twenty-five million five hundred thousand and no/100 dollars (\$25,500,000) general obligation bonds of the City of Pigeon Forge, Tennessee was presented for approval. Chris Bessler with Morgan Keegan discussed resolution and noted that based on today's numbers, interest on fixed rate bonds would cost approximately 3 percent. Commissioner Robinson asked what the source of funds would be for the bond. Mr. Bessler stated it would be from unlimited ad valorem taxing power plus other taxes that can be assessed by the city. Commissioner Robinson asked if there is a plan for refunding debt as required by the office of comptroller. Mr. Bessler stated that when city refund opportunities come before it when bonds can be called and refinanced, at that point a plan of refunding is assembled and submitted. This is a new money financing. Commissioner Robinson asked what type of debt this is. Mr. Bessler said a general obligation fixed rate issue. Commissioner

Robinson asked if there is a balloon payment. Mr. Bessler stated no. Commissioner Robinson asked how long duration is. Mr. Bessler stated it would be for 25 years. Commissioner Robinson asked if it is fixed or variable. Mr. Bessler stated it would be fixed. Commissioner Robinson asked what is interest rate and is it locked down. Mr. Bessler noted that an interest rate would not be locked down until we go to market and sell bonds. The lowest underwriter that bids based on true interest cost will win sale. Based on rates in today's market the rate on 25 year amortization would be about 3 percent. Commissioner Robinson asked about soft costs as well as council's compensation. Mr. Bessler stated that all quotes are not back yet but can be submitted prior to the sale. Commissioner Robinson asked about council's compensation. Mr. Bessler stated that it would be included. Commissioner Robinson asked if we do not know what the charge is. Mr. Bessler stated not currently but it can be submitted prior to the sale. Commissioner Robinson asked if bonds would be sold through competitive, negotiated or private sale. Mr. Bessler stated competitive sale. Commissioner Robinson said he did not see how we can move without all these questions answered. He stated he did not have a problem with the bonds but did have a problem with how we are paying the bonds because he did not want to put burden on taxpayers. Mr. Bessler said to clarify, even bonds that are secured by some assessment, still typically go forward with full faith and credit of the city even though they may have an assessment to pay for it. The reasoning is to garner the best interest rate. That way if something falls through on an investment, the city will be able to back payment. Following lengthy discussion and on a motion by Vice Mayor McClure, second by Commissioner Brackins, the motion was approved. Commissioner Reagan and Commissioner Robinson voted no.

Following the vote Commissioner Robinson challenged the vote based on answers to questions regarding bond council rates. He stated it is in the debt management policy that was established and information is supposed to be provided before voting on bond. City Attorney Gass said he believes validity of motion is sound. The requested information will be lodged with the City Manager. City Attorney Gass said that there is a cap on amount of debt and an estimate on the interest rate that will be paid. Commissioner Robinson said by doing this the advisors can charge whatever they want to charge. Mr. Bessler said there is a law on how high the fees can be in the state and the firm's fee will be commensurate to what has been charged in the past and what others have charged in the past so he would not expect anyone's cost to be going up. He said he expects the cost exclusive of the underwriters discount would be somewhere around 1 percent. Mayor Wear asked how Commissioner Robinson could submit his complaint. City Attorney Gass stated he could state it for the record or submit his official complaint to the City Recorder. See Attachment A.

**Resolution No. 791** authorizing the issuance of not to exceed twenty-five million five hundred thousand and no/100 dollars (\$25,500,000) in aggregate principal amount of general obligation bonds, series 2012 of the City of Pigeon Forge, Tennessee; making provision for the issuance, sale and payment of said bonds ; establishing the terms thereof and the disposition of proceeds therefrom; and providing for the levy of taxes for the payment of principal of, premium, if any, and interest on the bonds was presented for approval. Mr. Bessler stated this is the detailed resolution to follow up with the initial

resolution that was just adopted. This resolution adopted in conjunction with initial resolution both authorize the issuance of bonds. On a motion by Vice Mayor McClure, second by Commissioner Brackins, the motion was approved. Commissioner Reagan and Commissioner Robinson voted no. Following the vote, Commissioner challenged the vote as noted above.

Discussion and consideration of Trainer for Guest Excellence Training from Common Sense Solutions was presented for approval. Executive Director of Tourism Downey presented and recommended the low quote from Common Sense Solutions at a cost of \$4,750 plus lodging/meals. City Recorder Clabo asked council if they approved this proposal, he would like approval to pay deposit of \$2,375 with other bills being paid on Tuesday, March 13, 2012. On motion by Vice Mayor McClure, second by Commissioner Brackins, it was unanimously approved to accept the request as presented.

Discussion and consideration to purchase office equipment for Fire Station # 2 for A&W Supply was presented for approval. Fire Chief Watson recommended purchase of office furniture from A&W at a cost of \$2,830.05. On a motion by Commissioner Brackins, second by Vice Mayor McClure, it was unanimously approved to accept the request as presented.

Discussion and consideration of a change order for Fire Station # 2 adding 63 days to the contract time with K&F Construction was presented for approval. Mike Smelcer with SRA discussed change order noting that the contractor was asked to complete the work in a timely manner but not to allow time to impact the quality of work. It was noted that there was some work done beyond the scope of work but the work was done at no charge. On a motion by Vice Mayor McClure, second by Commissioner Brackins, it was approved to accept the change order as presented. Commissioner Reagan abstained from the vote.

Discussion and consideration of bids to purchase a ½ ton pick-up truck for the Public Works Department from McNelly Whaley Ford was presented for approval. Public Works Director Miller stated that five bids were received and he recommended the low bid from McNelly Whaley Ford at a cost of \$20,205.36. On a motion by Commissioner Brackins, second by Vice Mayor McClure, it was unanimously approved to accept the bid as presented.

Discussion and consideration to pave certain City streets and install crosswalks utilizing the bid from Blalocks for asphalt was presented for approval. Public Works Director Miller presented and noted that that he recommended the following paving based on bid prices awarded to Blalocks. They include: 1) Old Mill Avenue from Parkway to last entrance to Patriot Park which includes milling and replacing 6 crosswalks just as they are (brick textured) for a total of \$98,600; 2) Paving of Applewood Road and Hickory Manor Road due to sewer line ran in the winter at cost of \$44,250 for Applewood and \$15,260 for Hickory Manor for a grand total of \$158,110. On a motion by Vice Mayor McClure, second by Commissioner Brackins, it was

approved to accept the paving request as presented. Commissioner Reagan abstained from the vote.

Discussion and consideration to donate fire hydrants to Firehouse Subs was presented for approval. Fire Chief Watson noted that he recommended donating 4 old fire hydrants that would be used for display purposes at the new restaurant. On a motion by Commissioner Brackins, second by Vice Mayor McClure, it was unanimously approved to accept the request as presented.

Discussion and consideration to appoint Larry Melton to the Tree Board was presented for approval. On a motion by Vice Mayor McClure, second by Commissioner Brackins, it was unanimously approved to accept the request as presented.

Manager's report included the following:

1. There will be a planning commission meeting on Tuesday March 27, 2012 at 3:00 p.m. in the council room of city hall.
2. The trolley schedule will be limited to 8:00 a.m. to 10:00 p.m. in March and April due to ridership but will be back to normal hours in May.
3. There will be an Industrial Development Board meeting on March 20, 2012 at 9:00 a.m. in the council room of city hall.
4. There will be a Beer Board meeting on Wednesday March 14, 2012 at 1:30 p.m. in the council room of city hall.
5. There will be a pre-bid meeting on the new wastewater treatment plant on Thursday March 22, 2012. Bids will be open on April 12, 2012.
6. Working with Melissa Ziegler to update numbers for city regarding economic impact of developments.
7. The grand opening of Fire Station # 2 will be Sunday March 25, 2012 between 2:00 p.m. and 4:00 p.m.
8. There will be a public hearing on Ordinance No. 941 on April 9, 2012.
9. The street department has taken several loads of old scrap metal that has been accumulating over the years and would like approval to bid a ditcher for the department with some of the scrap metal funds. On a motion by Commissioner Reagan, second by Vice Mayor McClure, it was unanimously approved to allow street department to bid ditcher using a portion of scrap metal money.

Mayor Wear asked for comments from the board.

Commissioner Reagan asked about putting stickers on bio-diesel vehicles to advertise.

Mayor Wear commented about drafting letter stating that the board does not support action of state to allow liquor by the drink and that the will of the people should stand. It should also be put on the next election to let voters decide in the November election. Commissioner Robinson stated he didn't think this should be changed since the voters have already stated their case. All Commissioners stated they would sign letter except for Commissioner Robinson due to request for early election. On a motion by Commissioner Brackins, second by Vice Mayor McClure, it was approved to have City Attorney Gass draft letter. Commissioner Robinson voted no.

Having no comments received, the meeting was duly adjourned at 7:30 p.m.

APPROVED: \_\_\_\_\_  
MAYOR

ATTEST: \_\_\_\_\_  
CITY RECORDER

Without answers to every one of these questions we as a board cannot legally approve the bond because it does not comply with our Debt management policy adopted in December which was written in part by bond council. Bond council had notice of the provisions in this policy and should be ready to answer every question as set forth in the policy. Approval without answers to all questions presented would contradict the newly adopted policy and would force me to challenge this vote in a timely manner based on its noncompliance with our recently adopted debt management policy.