

The Gatlinburg Board of Commissioners met in a regular meeting on Tuesday, May 6, 2014, at 6:00 P.M. in the City Council Room. All members were present. Mayor Jerry Hays called the meeting to order and led the Pledge of Allegiance. Finance Director Robert Holt sang the Lord's Prayer as the Invocation.

Mayor Hays then called for a motion to approve the Minutes of the regular meeting of April 8, 2014. Commissioner Mike Werner made a motion to approve the Minutes which was seconded by Commissioner Mark McCown and then unanimously adopted.

Regarding Petitions and Communications from the Public, Mayor Hays recognized Ms. Mary Vance, Executive Director of the Mountain Hope Good Shepherd Clinic, Inc., and Dr. Richard Dew, Medical Director of the Mountain Hope Good Shepherd Clinic, Inc. Ms. Vance thanked the City Commission for the opportunity to speak and stated that Mountain Hope Good Shepherd Clinic is a 501 (C) (3) non-profit clinic that has been in operation for 15 years and has provided medical care to over 19,000 uninsured Sevier County residents. Ms. Vance stated that the clinic still has to turn away about 700 patients per month even though they have 18 employees, 30 volunteers and a budget of \$872,000. Ms. Vance stated that the average cost to the Clinic for each patient visit is \$86 and patients pay an average of \$31 per visit which leaves the clinic with a \$55 deficit for each patient. Ms. Vance then requested an increase in their donation from the City and that the request is for the City to cover 40% of the deficit of residents in the City's zip code who have visited the clinic for medical care which would be equivalent to a \$12,000 increase in the City's donation. Ms. Vance further stated that the Clinic has operated within its budget without asking for any increase in the donation for the last 15 years and that their patients can only afford so much and costs continue to rise. Ms. Vance further stated that the Clinic has always been frugal with donated money and that the clinic scored a 97 on its most recent audit. Dr. Dew then stated that the Clinic could hire another provider to treat all of the patients the clinic is turning away and that the Affordable Care Act has done more harm than good and that the State not expanding Medicaid has made it difficult for the poorest of the poor to get health insurance. Dr. Dew stated that he instructed 30 of his patients to apply for insurance and that only one patient was able to get insurance due to the fact that they do not qualify for TennCare and they cannot afford to purchase insurance through the Affordable Care Act. Dr. Dew further stated that the cost of prescription drugs have also skyrocketed as drug companies have increased prices for even generic drugs and that the State's prescription drug program is being phased out for people who make more than the federal poverty level so the Clinic has also had to increase the patient assistance program for prescription drugs. Commissioner McCown then asked what the City's donation to the clinic was the previous year and Ms. Vance stated that the City's donation was \$6,859 and that it had previously been a larger donation. The City Manager then stated that the City had to reduce the donation during the recession and that those cuts were across the board to all non-profit organizations to offset dramatically reduced revenues. Commissioner McCown then stated that it was a good time for them to ask for the donation increase because the Budget process is about to

begin and then Commissioner Werner complimented Ms. Vance and Dr. Dew for the great work they do at the clinic.

The first Item under Reports of Boards and Committees, the City Manager introduced Ms. Vicki Simms, Ms. Brenda McCroskey, Ms. Mary Hope Maples, and Mr. Leon Downey of the Smoky Mountain Tourism Development Council (SMTDC). Ms. Mary Hope Maples, Director of the SMTDC, then distributed informational packets to the City Manager and City Commissioners and thanked them for the opportunity to speak. Ms. Maples stated that it is important for everyone in the area to work together to protect and promote tourism and that the SMTDC is comprised of one representative from the Gatlinburg Convention and Visitors Bureau, Sevierville Chamber of Commerce, Pigeon Forge Department of Tourism, Sevier County Marketing/Communication, and the Sevier County Economic Development Council. Ms. Maples stated that the SMTDC was formed over 20 years ago and that the most successful cooperative effort has been the Smoky Mountain Winterfest Celebration and that the Council has also worked on other opportunities such as State Cooperative Programs. Ms. Maples stated that the SMTDC has focused on collaborative regional promotion of the Smoky Mountain Winterfest Celebration and that revenues have increased \$167 Million over the last 24 years and that revenues are continuing to grow during the Winterfest Celebration months. Ms. Maples stated that the SMTDC is also focusing on tourism promotion by way of travel shows and media blitz promotions in regional target markets such as Cincinnati, OH and Middle Tennessee. She then stated that the SMTDC also operates and maintains ComeExperiencetheSmokies.com to enhance and promote the area as a whole as well as to guide visitors to the cities individual websites. Ms. Maples further stated the SMTDC also used matching state co-op funds to place a full-page advertisement featuring the area's musical heritage and scenic beauty in the January 2014 edition of Southern Living Magazine and related e-blast that reached 16 Million readers. Ms. Maples then stated that the SMTDC celebrates National Tourism Week by recognizing a tourism family visiting the area and celebrating the Great Smoky Mountains Park Employee of the Year. Ms. Maples stated that the SMTDC also coordinates the development and sales of the Sevier County Maps at local welcome centers and also publishes and distributes an annual countywide calendar of events that lists all of the events in all three cities and Sevier County to assist tourism and hospitality partners in business and visitor planning. She stated that for the upcoming year the SMTDC will launch an aggressive campaign for the 25th Anniversary of Smoky Mountain Winterfest Celebration, host an AAA allied travel agent conference in August to bring in travel agents in key markets, and revise and improve ComeExperiencetheSmokies.com which will include the addition of a link to the Countywide calendar of events to better promote the many area events and festivals. Ms. Maples stated that it is imperative to continue to work together to promote tourism and grow the collaborative effort and then thanked the City Commission for their continued support of the SMTDC. After Ms. Maples report, Ms. Simms stated that the state offered a cooperative grant in February and that all three Cities agreed to apply and put the money towards marketing in the Chicago area due to the direct flights from

Chicago to Knoxville that are occurring through Frontier Airlines. Ms. Simms further stated that the grant was awarded and that the marketing campaign will kick off on May 9 and will include TV and print media, radio, AAA promotions, and even include painting the side of a building in downtown Chicago.

The next item under Reports of Boards and Committees, the City Manager recognized Ms. Vicki Simms who proceeded to give the Gatlinburg Convention and Visitors Bureau (GCVB) First Quarter Report for 2014. Ms. Simms stated that the GCVB has launched the new Gatlinburg Mobile Phone App which has already received 11,000 downloads and that the Visit Gatlinburg Facebook page now has over 400,000 likes. Ms. Simms then stated that the Gatlinburg.com online booking engine has added online ticket sales and that three iPads have been added to the Spur Welcome Center to allow visitors to book lodging online, purchase tickets to amusements and research information on area businesses. Ms. Simms further stated that Gatlinburg.com has hit 4 million unique visitors and that the website's booking engine has topped 1 million in referrals. She then stated that over the last six months the GCVB has also been able to place media advertisements in three new markets which are Jacksonville, FL, Chicago, IL, and Indianapolis, IN, due to securing over \$250,000 in matching advertising funds from the State. She then stated that the Smoky Mountain Tunes and Tales performances on Friday and Saturday nights have been ongoing since the first week of April and that this schedule will continue until the full week schedule begins in June. Ms. Simms then stated that the Second Annual Winefest weekend was a tremendous success with the addition of the Friday night Wine, Dine and Art Crawl and that attendance to the Saturday festival grew to just under 1,000. Ms. Simms then stated that the Marketing Committee will begin planning for the 2015 Marketing Campaign with the GCVB's marketing partners in June and stated that she is blessed to have the current team at the GCVB.

The City Manager reported and/or requested:

- (1) that she wanted to remind everyone that the Gatlinburg Beans and Cornbread Blast sponsored by Bush Brothers Beans will be held on Thursday, May 8, from 1:00 P.M. – 8:00 P.M. on the Parkway between traffic light #6 and Reagan Drive. The City Manager further stated that live entertainment will begin at 1:00 P.M., a cornhole tournament at 2:00 P.M., and that beans and cornbread will be served starting at 4:00 P.M.; and,
- (2) that she also wanted to announce that the second Frontline Gatlinburg class sponsored by the Gatlinburg Chamber of Commerce will be held on Wednesday, May 14, 2014. The City Manager further stated that both the April and May Frontline Gatlinburg classes have sold out and that anyone interested in participating in the June and July classes can sign up by contacting the Chamber office; and,

- (3) that she wanted to announce that the 15th Annual Gatlinburg Chamber of Commerce Foundation Golf Tournament will be held on Thursday, May 22, 2014, at the Gatlinburg Golf Course and that registration and lunch will be held from 11:00 A.M. – 12:00 P.M. with a 12:30 P.M. shotgun start. The City Manager further stated that this is the biggest fundraiser of the year for the Foundation which funds scholarships, provides community educational programs, and provides support to local schools and teachers; and,
- (4) that she wanted to announce that the Kid's Trout Rodeo sponsored by the City will be held on Saturday, June 7, at Herbert Holt Park and that registration is at 7:30 A.M. and that a weigh-in will be held at 10:30 A.M. The City Manager further stated that the fishing tournament does not require a license and is free to children age 16 and under and that kids can fish any stream in Gatlinburg.

DISCUSSION AND CONSIDERATION OF APPROVING A PROPOSED PROPERTY EXCHANGE REQUEST ON STUART LANE AND HOLLY RIDGE ROAD.

The first Item under New Business was discussion and consideration of approving a proposed property exchange request on Stuart Lane and Holly Ridge Road. Commissioner Werner made a motion to approve the request which was seconded by Vice Mayor Mike Helton. The City Manager then asked City Planner David Ball to further explain and Mr. Ball stated that the property exchange request has been reviewed and approved by the Planning Commission. Mr. Ball further stated that the right-of-way adjoins the current property owner's tract of land and that the property owner has requested to exchange 624 feet of his property for 564 feet of the City's property. Mr. Ball further stated that the property exchange would provide for a continuous right-of-way for the existing public street improvements. Commissioner Werner then asked if the property owner was giving up more property than he would be receiving and Mr. Ball confirmed that the property owner's request includes giving up more property than he would receive in return. Commissioner McCown then asked if the City's property was located on the back side of the former Department of Tourism office and Mr. Ball confirmed that the request does involve the Department of Tourism property in the exchange. After discussion, the motion to approve the property exchange request on Stuart Lane and Holly Ridge Road was unanimously adopted.

DISCUSSION AND CONSIDERATION OF APPROVING A CONTRACT WITH SOUTHERN CONSTRUCTORS, INC., RELATED TO THE NEWMAN ROAD LIFT STATION REHABILITATION PROJECT.

Item B under New Business was discussion and consideration of approving a Contract

with Southern Constructors, Inc., related to the Newman Road Lift Station Rehabilitation Project. Commissioner Werner made a motion to approve the Contract which was seconded by Vice Mayor Helton. The City Manager then stated that this Project was funded in the Wastewater Budget and that the Project was engineered by McGill Associates. The City Manager further stated that Southern Constructors was the low bid and that the bid of \$328,000 was within the budgeted amount of \$460,000 for the Project and that this item is on the Agenda due to the fact that the Contract exceeds \$20,000. Commissioner Werner then asked where exactly the lift station was located on Newman Road and Utilities Manager Dale Phelps stated that the lift station is located behind the City's Service Center and that the lift station pumps wastewater to sewer lines at the top of the hill. Mr. Phelps then stated that the Project is expected to be completed within 120 days from the contractor receiving notice to proceed from the City and that the primary impact on citizens would temporary road closures when the contractor installs new piping on Newman Road and Newman Court. After discussion, the motion to approve the Contract with Southern Constructors, Inc., related to the Newman Road Lift Station Rehabilitation Project was unanimously adopted.

DISCUSSION AND CONSIDERATION OF APPROVING AN AUDIT CONTRACT WITH PUGH CPAS FOR THE FISCAL YEAR ENDING JUNE 30, 2014.

The next Item under New Business was discussion and consideration of approving an Audit Contract with Pugh CPAs for the Fiscal Year ending June 30, 2014. Commissioner Werner made a motion to approve the Audit Contract which was seconded by Commissioner McCown. Commissioner Werner then asked if the audit is a requirement of the City's Charter and the City Manager stated that the audit is required by both the City's Charter and State law. The City Manager further stated that the base Contract of \$65,000 is slightly less than the previous year's Contract and that \$10,000 has been set aside for additional work that may be required to account for Rocky Top Sports World or any other unforeseen issues. After discussion, the motion to approve the Audit Contract with Pugh CPAs for the Fiscal Year ending June 30, 2014 was unanimously adopted.

DISCUSSION AND CONSIDERATION OF APPROVING A GRANT CONTRACT WITH THE TENNESSEE DEPARTMENT OF TRANSPORTATION FOR CAPITAL ASSISTANCE RELATED TO THE MASS TRANSIT DEPARTMENT.

Item D under New Business was discussion and consideration of approving a Grant Contract with the Tennessee Department of Transportation for capital assistance related to the Mass Transit Department. Commissioner Werner made a motion to approve the Grant Contract which was seconded by Vice Mayor Helton. The City

Manager then stated that the \$157,000 Grant Contract would allow the City to replace a low-floor trolley bus and that this is a great opportunity to purchase new equipment. The City Manager further stated that the Federal Government would pay 80% of the Contract, Tennessee Department of Transportation would pay 10% of the Contract, and the City would pay 10% of the Contract which is just over \$13,000. Vice Mayor Helton then asked the Mass Transit Manager Buddy Parton about the progress of the site preparation at the Bettis property and Mr. Parton stated that all of the grading work should be completed by the end of the week and then gravel will be added so that the trolleys can park at the property. After discussion, the motion to approve the Grant Contract with the Tennessee Department of Transportation for capital assistance related to the Mass Transit Department was unanimously adopted.

DISCUSSION AND CONSIDERATION OF APPROVING A PROPOSAL FROM CHARTER COMMUNICATIONS FOR INTERNET/PHONE SERVICE.

The next Item under New Business was discussion and consideration of approving a proposal from Charter Communications for internet/phone service. Commissioner Werner made a motion to approve the proposal which was seconded by Commissioner Don Smith. The City Manager then stated that the City went through the request for proposal process that is essentially the same as a bid process and that Charter Communications submitted the low proposal of just over \$4,500 per month. The City Manager further stated that Charter also offers better service than the City's current provider and that the internet/phone service will be funded from the telephone line items of the various Departments. Commissioner Werner then asked if Charter would be providing phone service and internet service and the City Manager asked Finance Director Robert Holt to further explain who stated that Charter would be providing both services and that the City's phones are actually operated through the City's computer system. Mr. Holt then stated that the City has used its current provider Earthlink for four years and is currently paying \$5,200 per month for phone and internet service and that Charter will actually provide a better service at \$4,500 per month. After discussion, the motion to approve the proposal from Charter Communications for internet/phone service was unanimously adopted.

DISCUSSION AND CONSIDERATION OF DECLARING CERTAIN CITY EQUIPMENT AND VEHICLES AS SURPLUS.

The last Item under New Business was discussion and consideration of declaring certain City equipment and vehicles as surplus. Vice Mayor Helton made a motion to declare the equipment and vehicles as surplus which was seconded by Commissioner Werner and then unanimously adopted.

UNSCHEDULED ITEMS:

Commissioner Mike Werner:

- (1) Extended his sympathies to the Dale Bradshaw family and stated that Mr. Bradshaw was a great guy who always had a joke or story to share and that he would be greatly missed.

Commissioner Don Smith:

- (1) Requested that everyone keep the Dale Bradshaw family and his wife Barbara in their prayers; and,
- (2) Reminded everyone that they still had time to go vote.

Vice Mayor Mike Helton:

- (1) Echoed the above regarding Mr. Bradshaw's family.

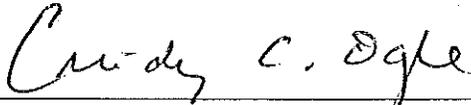
Mayor Jerry Hays:

- (1) Expressed his condolences to the Bradshaw family and stated that Mr. Bradshaw was a good friend.

There being no further business to come before the City Commission, Commissioner Werner made a motion to adjourn. Vice Mayor Helton seconded the motion which was unanimously approved.



Mike Helton, Mayor



Cindy Cameron Ogle, City Recorder
/jv