

A SPECIAL CALLED MEETING OF THE
BOARD OF COMMISSIONERS OF THE
CITY OF SODDY-DAISY, TENNESSEE
WAS HELD ON THURSDAY, MAY 22, 2024
AT 7:00 P.M.

INVOCATION BY: COMMISSIONER KEITH

MEETING CALLED TO ORDER BY:
MAYOR EVERETT

MEMBERS PRESENT:
MAYOR EVERETT
VICE-MAYOR COLEMAN
COMMISSIONER KEITH
COMMISSIONER PENNEY
COMMISSIONER SHIPLEY
CITY MANAGER JOHNSON
ASSISTANT RECORDER DOLBERRY

MEMBER ABSENT:
CITY ATTORNEY ELLIOTT

STAFF AND OTHERS PRESENT:
SEE ATTACHED COPY OF SIGN IN SHEET

OLD BUSINESS:

NONE.

NEW BUSINESS:

**AN ORDINANCE OF THE CITY OF SODDY-DAISY, TENNESSEE,
ADOPTING THE ANNUAL BUDGET AND TAX RATE FOR THE FISCAL
YEAR BEGINNING JULY 1, 2024 AND ENDING JUNE 30, 2025.
PUBLIC HEARING AND FIRST READING.**

James Berry, 8921 Springfield Road, questioned if there were any changes to the Ordinance since the last meeting on May 16th. City Manager Johnson replied absolutely not. Mr. Berry asked the Commission to wait for the reassessment before imposing a tax increase. He said he does not like to compare Soddy-Daisy to other municipalities, but if comparing to Signal Mountain, why does the City not have their criminal court cases heard in General Sessions Court in Hamilton County. He said he is not suggesting that the City do

away with the Judge, but only here traffic cases. He said Webex is used now and generally takes longer than when individuals were brought to court in person. He said it takes approximately 30 minutes per defendant. He said this would cut the case volume. City Manager Johnson said the Board has looked at this. He said before Webex 13-15 defendants were transported each week. He said that Webex saves on court overtime cost. He said Signal Mountain is the only full-service City that does not have general sessions court.

Mayor Everett said they do not want to rush tonight's decision. City Manager Johnson said the total assessed value for the City is \$362,000,000.00. He said this was questioned at the last meeting. City Manager Johnson said the capital outlay is high due to numerous proposed capital outlay projects which include taking the bathroom out of the concession stand at the North Park and construct a free-standing bathroom, cleaning up the concession stand, installing lights in the parking lot at the South Park, replacing pavilion fans and painting, purchasing two fire engines (delivered December 2024, January or February 2025) which have already been ordered and \$70,000.00 in radios which require updating periodically. He said plans are to purchase software that will assist in making codes enforcement and public works work orders more efficient, rewriting the current Zoning Ordinance which is outdated and purchasing vehicles for the Police Department. Mayor Everett said in the previous workshops the capital outlay projects were agreed to with the exception of removing the purchase of a pickup truck for the fire department. He said that Commissioner Shipley had to leave the workshop early for medical reasons. He said the Fire Chief and Fire Captain agreed this was a want and not a necessity at this time. Mayor Everett said several workshops were held and the budget was discussed at length. He said that with or without the proposed tax increase employee raises would still happen. He said the City has to remain competitive with employee salaries. City Manager Johnson said that in the last 13 years typically one budget workshop is held averaging 2-1/2 to 3 hours, but this year three workshops were held for a total of 9 hours. He

said this Board did not take the tax increase lightly. Mayor Everett said that at the end of the day they may not all vote the same, but he has respect for all of the commissioners and their dedication to the City. He said some of the capital outlay items were on the table when Robert Cothran was on the Board.

Commissioner Shipley apologized for leaving the last workshop meeting early and missing last Thursday night. Commissioner Shipley questioned the total reserve of \$4,000,000.00 and pay raises \$6,232,100.00. City Manager Johnson said you have to take out \$1,600,000.00 in costs so it would be less than that \$6,232,100.00 less the \$1,600,000.00. City Manager Johnson said the City maintains a \$4,000,000.00 reserve and should never go below this. He said bids will be opened soon on the new Police Department building, hoping it will come in at \$2.5 million and money is obligated to the purchase of the fire engine at \$657,000.00. He said he does a cash flow statement every year. He said the City operates at a deficit for 8 months out of the year. He said typically during January, March, October and November the City has a positive cash flow due to property taxes.

Commissioner Shipley said that raises were approved in a special called meeting in March and were readjusted to bring salaries up to Hamilton County and other municipalities within reason. Chief Billy Petty said salaries remain at a difference of approximately \$5,000 for top out with the Sheriff's Department.. City Manager Johnson said the City department heads are approximately \$10,000.00 below every other department head in the County. Commissioner Shipley said that he has an issue with a 4% increase in salaries, but feels that 2% would be satisfactory.

Commissioner Shipley questioned the proposed \$107,000 for Human Resources. He said he does not feel that this position should be full-time and asked if the City could piggyback with another city as the final call rests with the City Attorney and City Manager. City Manager Johnson said this total is for salary plus benefits and was estimated with family insurance

coverage at a cost of \$24,000 per year. He said relative to the \$85,000 for a Codes Enforcement Officer, he does not feel this is a needed position. He said that he has seen Steve Grant cite individuals to court and the City Judge turn them loose. He said he feels that Mr. Grant, along with the Administrative Hearing Officer, can address these cases. City Manager Johnson said the Administrative Hearing Officer cost is \$250.00 per meeting.

Commissioner Shipley asked that the position of Police Department Custodial Record Employee be explained. City Manager Johnson said the current Records Custodian is a retired police officer and is a part-time position. He said this individual handles all the evidence. He said this would currently be a place holder position to provide training for someone to take over when the current custodian leaves the position.

Commissioner Shipley questioned the proposed 3 new firefighters. He said in the workshops 3, 6, and 9 new firefighters was discussed. He asked Fire Chief Mogan if 3 would do the job. Fire Chief Morgan said eventually they would like to hire 9, but with 3 the department would have 4 on a shift with 2 on an engine and 2 on the squad. He said 9 is the ultimate goal. Mayor Everett said that Fire Station 1 was remodeled to accommodate the 3 new firefighters so that this fire station would also be manned. He said 3 was always part of the discussion. City Manager Johnson said the hiring of 3 full-time firefighters would cut the part-time salaries by \$30,000.00. Mayor Everett said the Fire Department currently has 17 volunteer firefighters with 7 of those under the age of 55. Fire Chief Morgan said that it takes a year for firefighters to become certified for interior firefighting. He said interior firefighting is what puts fires out. Commissioner Penney questioned if there had been an increase in calls in the last 2 to 3 years. Fire Chief Morgan said in 2012 they had 750 calls and this year 2,000 calls. He said they have 9 to 10 some days. He said there are other jobs as well as hose testing, hydrant maintenance among others. Commissioner Shipley asked if 3 firefighters is a must. Fire Chief Morgan

replied yes.

Commissioner Shipley asked about the North Chickamauga Creek Stabilization project estimated to be \$1,500,000.00 and with that area becoming a State Park why the State could not provide this stabilization. City Manager Johnson said that he hopes a grant can be obtained to offset this cost. He said he hopes for an 80/20 match, but the last one was 75/25. Commissioner Shipley asked how many houses are affected. City Manager Johnson said 4 to 5. He said the Corps has recommended rechanneling the creek by dredging the center of the creek and removing some of the rock. He said that he has reached out for permits, the \$1.5 million only covers the gabion baskets.

Commissioner Shipley said he has called Bo Watson to discuss the viaduct and bridge. He asked what the next level of inspection is after poor. Public Works Director Grant said failed/close it. He said it has been rated poor for 3 years. City Manager Johnson said the rating changed to poor at the last inspection approximately 6 months ago. He said the weight limit was lowered. Public Works Director Grant said people do not pay attention to the signs.

Commissioner Shipley questioned the Holly Park Improvements for \$600,000.00. City Manager Johnson said a grant has been applied for to add parking which will require serious dirt removal and tree removal. He said the boat ramp needs to be re-done and a dock added. He said improvements could help to provide tourism money for the City. He said the City would like to see multi-purpose trails, kayak chutes, and improved parking. Commissioner Keith said citizens have asked for handicap accessibility as well. City Manager Johnson said it would be ideal to relocate the bathrooms and use that area for parking, but this would come at a cost.

Commissioner Shipley said that he feels a lot of these costs could be reduced. He further stated that City Manager Johnson does a great job. He said that he is not in favor of a tax increase. Vice-Mayor Coleman said that he agrees with Commissioner Shipley. Vice-Mayor Coleman said that \$25.00 is a lot to people. He said he was elected to represent the citizens and

there are lot of senior citizens in Soddy-Daisy. He said the City needs 3 firefighters. He said he is asking to wait until after the election and the re-assessment before deciding on an increase. City Manager Johnson said the tax rate revenues will not be received until September 2025. Commissioner Shipley said we may need an increase, but he is not sure of the amount. Vice-Mayor Coleman said residents are okay with a reasonable amount, but do not understand why we cannot wait until the reassessment. City Manager Johnson said if not voted in tonight and the State puts a cap on the rate then this amount cannot be voted on. The new rate is not effective until July 1st and the State's effective date would also be July 1st. He said the City will survive without the increase this year, but may not get it next year. He said the only revenue control that this Board has is property taxes. He said we could be playing catch up with other municipalities when competing for businesses, etc. He said Assistant Recorder Dolberry has 3 jobs that she does. He said we are grateful that we have employees in City Hall that will wear two, three or four hats so we don't have an extra \$300,000.00 in salaries for the extra positions that I hold and she holds and someone else holds. We have saved the City in the last three years, \$300,000.00 a year in salaries because we do have people that are dedicated and willing to do whatever you ask them. He said I want you to know that we are going to continue to do our jobs and the work is going to get done. We may get our hands tied by the State. He said a study has been conducted to see if the City would support a hotel and it is believed that we will. He said even if someone proposes to build one it would be 2 to 3 years before completion. He said until that time we have to continue to move forward and do good things in the City.

Commissioner Shipley said after 28 years, he wants to leave the City in good shape and the City Manager has done a good job. He asked if two public works employees at \$180,000.00 was an inflated number. City Manager Johnson said it is not an inflated number. Commissioner Shipley asked Public Works Director Grant how soon he would like to hire the heavy equipment

operator. Public Works Director Grant said he cannot hire anyone, at the moment, as no one has applied that meets the requirements. He said most of the other public works employees have learned their jobs on the job. He said heavy equipment operators are required to have CDL licensing.

Commissioner Keith said the Commission has discussed the budget for over 9 hours and agreed to the proposed budget. He said either the City grows, stays stagnant or moves backwards. He said without the increase the City will not move forward. He asked if the Board needs another meeting? He asked the City Manager how much time the City has to pass the budget. City Manager Johnson replied before June 30th or we would have to have a continuation budget.

Additional discussion was held. Mayor Everett said if the State caps the tax rate increase at 5% we will never catch up. He said they looked at the courts but in order to save the \$200,000.00 at a penny we are saving 6 – 7 cents, but we still have to have traffic court and we still have to have a court clerk so we won't save \$200,000.00. Commissioner Keith said officers would have additional overtime if moved downtown. Mayor Everett said he is not against the Judge, but he is too lenient on codes enforcement cases. He said the court fines have been discussed with the Judge, but he is an elected official and the Commission cannot tell him how to use discretion as that is against the law. He said he will vote what is best for the City. Commissioner Shipley asked how much money is on the books right now for unpaid fines on the court. City Manager Johnson said he has not checked this in a long time but would be surprised if it is less than \$500,000.00. Commissioner Shipley said if we were collecting our fines then we would not need to talk about a tax increase. Police Chief Petty said there were 6,000 stops last year with 51 tickets written. Mayor Everett said that Commissioner Shipley is not implying that we are fee grabbing. City Manager Johnson said the fines that are owed are not for speeding tickets.

Commissioner Penney asked the City Manager if other cities have shared roles like an HR person. City Manager Johnson said not that he knows of. Commissioner Penney asked City Manager Johnson to elaborate on how in 2021 we went from \$1.35 tax rate to \$1.1159 tax rate. City Manager Johnson said in 2021 the Board voted to lower the tax rate from \$1.35 to \$1.1159 to be revenue neutral when the reassessment was done. Commissioner Penney said everyone wants to see the City improve, but you have to have the right tools to do the job.

Mayor Everett said for every penny (\$0.01) of increase the City receives \$35,000.00. He said he felt the only capital outlay project that could possibly be cut would be Holly Park. He said the City Manager does a lot of jobs and the City needs to move forward. He said there are a number of employees that could retire at any time and we have to hire and train personnel for when that time comes.

1st - Mayor Everett to adopt the Ordinance as proposed and look at the assessment next year.

Eddy Bell, 1020 Trojan Run Drive, said she wants to see raises before Human Resources (HR) is hired. She said she feels the City could wait to hire HR personnel. She asked how many employees does the City have? City Manager Johnson said 71 full-time and 15 part-time. Mrs. Bell said there is a need, but asked what HR is going to do? City Manager Johnson said they are to protect the City and the employees. He said for the past two months he has spent half of his day on HR issues. He said he will continue to do HR for as long as the Board wants him to, but this Board has expressed they do not want that. He said that he has been in discussions with a group to develop a hotel in the City. He said a study is being conducted to provide data that the City would support a hotel. Mrs. Bell asked if the City would offer a tax cut incentive? City Manager Johnson said they have not discussed any tax incentive at all. She asked about grants for the firefighters and City Manager Johnson said those also require money from the City. She said she does not want more sewers.

Mr. Berry questioned the 1.5 million capital outlay proposed for the stabilization of North Chickamauga Creek. He questioned if this area is part of the State Park why would the City make the repairs? City Manager Johnson said the cost is only for the repair of the gabion baskets. Public Works Director Grant said some of the property lines extend to the middle of the creek. Mayor Everett said the City hopes for matching funds to assist with the cost. He said that two firetrucks are to be replaced. He said a third truck would cost approximately 1 million dollars. He suggested not lowering the tax rate again. City Manager Johnson said the City gave up 2.5 million dollars in the last three years. Commissioner Penney asked if details on tax relief assistance could be provided at the next meeting? City Manager Johnson said he would look into it.

2nd - Commissioner Keith

Ayes - Commissioner Keith, Commissioner Penney, Mayor Everett

Nays - Vice-Mayor Coleman, Commissioner Shipley

Robert Cothran asked everyone to remember the WWII veterans this weekend and thank God for those who died to give us freedom.

Adjourned 8:49 P.M.

Burt Johnson

