

Council Meeting Minutes

March 22, 2016

The Tazewell Town Council met in work session at 5:00 p.m. in the Town Hall Council Chambers.

Present:

Mayor A. D. Buchanan Jr

Vice-Mayor Terry Mullins

Councilmember Glenn Catron

Councilmember Jack Murray

Councilmember David Fox

Councilmember Jerry McReynolds

Absent:

Councilmember Chris Brown

Staff present were: Town Attorney Brad Pyott; Town Manager, Todd Day; Executive Assistant, Robin Brewster; Town Clerk, Leeanne Billings.

CALL TO ORDER

Mayor Buchanan called the meeting to order.

INCENTIVES

Manager Day handed out business incentive information to the council. He stated that the Town had been working on tax incentives. Ted Figura has been going over them and is now looking for feedback and questions from the council. Manager Day would like to have these in place by July 1st.

-National Business Attraction Grant

The IDA has discretion over this grant. The Town is willing to give this grant however, in the Enterprise Zone it is a right to receive grants. The incentives include: property taxes, meals tax, and business license rebates up to four years. The IDA will give 100% of taxes paid by a national business back. The business will have to pay it but they will get it back. A national business is one that is located in five states.

-Discussion:

Who can qualify? It must be a new establishment in Tazewell County. They can't just change the business name and move to Tazewell. It must be a national business. They must stay at least nine years. This would be five years after the last refund. If they leave before the five

years is up, they have to pay back some or all of the refund. Manager Day stated that we will need to look at the wording in the incentive and make sure we put the proper wording in there whether it would be paying back some or all of the refund. Also, the business cannot be delinquent with taxes or they will not get the refund.

Councilmember Catron stated that if it is meals tax or lodging (transient occupancy tax) the customer pays that to the business. The business does not technically lose money when they pay us those taxes because it is paid by their customers, so basically it sounds like we would be giving them a bonus. He also asked what is the meals tax and motel tax rate? Manager Day answered meals tax is 7% and transient occupancy tax is 5%. Councilmember Catron then asked how long is the Rt 61 project going to take and is that where we are hoping that businesses are going to come into. Manager Day stated that the project will be a 580 project and yes we are hoping that businesses will locate there. Vice-Mayor Mullins stated that we need to keep going with these incentives and offer them to businesses so we can get new business here.

-Entrepreneur Business Attraction Grant

Who can qualify? Any new business in the Town of Tazewell can qualify for this grant. This grant differs from the National Business Grant because this grant is for three years, not four. There was discussion about national business versus entrepreneur business and the types of business and the number of employees at the business. Manager Day asked the council what they would like to do regarding meals tax and lodging tax. The consensus was to offer it and move forward with it and try to get more businesses to come in.

BUDGET

Manager Day handed out the proposed budget and council reviewed it and held discussion.

-Recreation budget: We have a new director and he is going to try and get more programs together and Manager Day stated that he was doing a good job and was a real go getter.

-Rescue Squad budget: We have to offer employees with over 29 hours health insurance and it is based on last year's hours. We have restructured the rescue squad staff and brought some of them on as full time and we are offering them insurance.

-Line Item: Transfer to Public Works LGIP- we are going to try and start saving for a new garbage truck.

-Rate Increase: There will be an estimated \$60,000.00 increase for the water rate. The current in town rate is \$23.00 per 2,000 gallons and \$6.60 per each additional 1,000 gallons. The new in town rate will be \$24.50 per 2,000 gallons and \$7.00 per each additional 1,000 gallons. The current sewer rate in town is \$27.25 per 2,000 gallons and \$7.00 per each additional 1,000 gallons and the new sewer budget is still a work in process. The sewer budget is not balanced yet.

-Discussed water and sewer rates of localities around us.

-Discussed capital improvements at the sewer plant.

-Discussed the Town's water tanks.

ADJOURNMENT

Motion was made by Councilmember McReynolds to adjourn the meeting. Motion was seconded by Councilmember Murray. Mayor Buchanan adjourned the meeting at 7:18pm.