

TOWN OF UNICOI BOARD OF MAYOR AND ALDERMEN

Unicoi Town Hall at 3600 Unicoi Drive, Unicoi TN 37692 Ph. 743-7162

AGENDA

Monday July 17, 2017 at 5:30 pm

- 1. Call to Order**
- 2. Invocation**
- 3. Pledge of Allegiance**
- 4. Roll Call**
- 5. Approval of the June 26, 2017 BMA Meeting Minutes**
- 6. Old Business:** None
- 7. Unfinished Business:** None
- 8. New Business:**
 - a. Consideration of Attorney Contract**
 - b. Consideration of Resolution 2017 – 266:** Resolution approving ordinance codification
- 9. Reports of Officers & Committees:**
 - a.** Mountain Harvest Kitchen Board – Lee Manning
 - b.** Economic Development Board – Mayor Lynch
 - c.** Disaster / Emergency Plan & Railroad Safety – Vice-Mayor Hopson
 - d.** Clean-Up Committee – Alderman Linville
 - e.** Financial Oversight Report – Alderman Linville
 - f.** Unicoi Business Alliance – Alderman Linville
 - g.** History Committee – Pat Lynch
 - h.** Human Resources – Vice-Mayor Hopson
 - i.** Planning Commission & Board of Zoning Appeals – Vice-Mayor Hopson
 - j.** Decorating Committee - Pat Lynch
 - k.** Animal Welfare Board – Billy Harkins
 - l.** 911 Board – Mayor Lynch
 - m.** Mountain Harvest Kitchen – Lee Manning
 - n.** Parks & Recreation, Tourism & Public Relations Update – Sarah Jennings
 - o.** Recorder’s Report – Mike Housewright
 - p.** Financial Report – Mike Housewright
- 10. Opportunity for Citizens to Address Board:**
- 11. Announcements:**
- 12. Adjournment:**



MINUTES

**TOWN OF UNICOI
BOARD OF MAYOR AND ALDERMEN MEETING
Monday June 26, 2017**

Called to Order: 5:30 p.m. by Mayor Lynch

Invocation: Bob Sahli

Pledge of Allegiance: Alderman Hopson

Member
Mayor Johnny Lynch
Vice-Mayor Hopson
Alderman Bullen
Alderman Linville
Alderman Cooper

Members Absent: None

Staff Present: Mike Housewright, City Recorder
Lois Shults-Davis, Attorney

Approval of Minutes: A motion was made by Alderman Bullen and seconded by Vice-Mayor Hopson to approve the May 10, 2017 minutes as presented. The roll call vote was unanimous in favor.

Opportunities for Citizens to Address the Board:

Bob Sahli: Has the Town of Unicoi done anything to attract industry?

James Howell: Expressed concern about the trail extension project.

Charlene Thomas: Expressed support for the trail extension project.

David Buchannan: Concerned regarding the safety of his family as it pertains to the trail extension.

Pete Paduch: Feels that the budget is a "mess and needs attention."

Judy Ray: recommends holding a vote to remove the trail project from the budget.

Mr. Simms: Lives on Gouge Rd and is concerned about his front being taken for this project.

James Howell: Questions who will patrol the trail (in regards to crime enforcement), and who will pay for the lighting and paving?

Jamie Simms: Why don't we give the money from the trail to law enforcement?

Wayne Lewis: Will there be an income statement for the MH Kitchen?

Debra Perry: Can we move the meeting to the Visitor's Center?

Old Business: None

Unfinished Business:

1. **Consideration of Ordinance 2017-253 (FY 16-17) Budget Amendment Ordinance:** A motion was made by Alderman Linville and seconded by Vice-Mayor Hopson to approve the ordinance as presented. The roll call vote was unanimous in favor.
2. **Consideration of Ordinance 2017-254 (FY 17-18) Budget Ordinance:** A motion was made by Alderman Linville and seconded by Vice-Mayor Hopson to approve the budget ordinance as presented.

Alderman Cooper began the discussion on the budget by addressing the trail extension grant. He stated that he could not obtain a copy of the grant locally but did receive a copy through Appalachian Regional Commission offices in DC. Alderman Cooper continued to say that this project never came before the board for approval. The Alderman suggested that the Town's action on the issue was tantamount to a conspiracy or fraud and probably violation of the TN's Sunshine Law. Alderman Cooper attempted to move to table the budget vote while the state comptroller's office investigates the town's actions in regards to the budget and trail grant project. Alderman Cooper was advised by the Town Attorney that only the person making the motion or the second could move to amend the motion on the floor.

Alderman Linville said that the reason that the grant is in Erwin's name is because it can only be listed under one recipient. He stated that he understands the concerns and stated that the town should reexamine the route and that the language of the grant proposal asserts that the mapped route is not necessarily final.

Recorder Housewright made the commitment to the board and the town that no action would be taken on the trail project without the passage of a resolution condoning the project.

The roll was called and the budget passed with Mayor Lynch, Vice-Mayor Hopson and Alderman Linville voting in favor and Aldermen Cooper and Bullen voting against.

New Business:

1. **Consideration of Tennessee Transportation Assistance Program (TTAP):** Program information attached. A motion was made by Alderman Bullen and seconded by Vice-Mayor Hopson to approve the participate in the program. The roll call vote was unanimous in favor.
2. **Consideration of Resolution 2017-265 Public Records Policy:** A motion was made by Vice-Mayor Hopson and seconded by Alderman Cooper to approve the resolution. Alderman Cooper recommended that the City Recorder as the Records Custodian and the Office Manager as the Records Coordinator. Additionally, Alderman Cooper commented that the official request forms be stored with the policy. The roll call vote was unanimous in favor.
3. **Discussion on Tennessee's Metal Detector Gun Law:** Town Attorney Lois briefed the board on the state's new law HB508. Town took no official action pertaining to the legal requirements. No vote held.
4. **Discussion on the creation of an Assistant City Recorder position:** Alderman made a motion to amend the agenda to discuss the creation of an Assistant Recorder position to aid in relieving some of the workload for the present City Recorder. Alderman Linville seconded the motion and the board unanimously voted to amend the agenda. Alderman expressed concern about the workload of the City Recorder as well as the opportunity for financial fraud and mistakes. Mayor Lynch suggested that would be something that could be discussed at next year's strategic planning retreat. Alderman Bullen put forth a motion that the town proceed with the search and hiring for the assistant position.

Alderman Cooper seconded the motion. Town Attorney Lois Shults-Davis recommended that the motion be amended to form a committee to consider and make recommendation on the assistant position. Alderman Cooper amended the motion to form a committee consisting of Aldermen Bullen, Linville, Vice-Mayor Hopson, and City Recorder Housewright to consider, discuss, and make recommendation on the subject. Roll was called and the motion passed unanimously.

Reports of Officers and Committees:

- **Economic Development Board Report, Mayor Lynch:** Update on comprehensive strategic plan project.
- **Disaster / Emergency Plan & Railroad Safety Report, Vice-Mayor Hopson:** Nothing to Report.
- **Clean-Up Committee & Business Alliance Reports, Alderman Linville:** Hazardous waste pickup in Erwin planned for this fall.
- **Unicoi Business Alliance Report – Alderman Linville:** Pinnacle Trail Challenge planned for Sept. 30.
- **History Committee Report – Pat Lynch:** Assisting Sarah with movie and ice cream.
- **Mountain Harvest Kitchen Report, Mike Housewright:** Open House planned for August 11. Rates for the kitchen will be presented at the next meeting.
- **Human Resources Report – Vice-Mayor Lynch:** Nothing to report.
- **The Planning Commission Report, Vice-Mayor Hopson:** Report is attached.
- **Decorating Committee Report, Pat Lynch:** Flags on the bridge for the 4th of July.
- **Animal Welfare Board Report, Billy Harkins:** Update on adoption guidelines, \$32,000 shortfall on the budget.
- **911 Board Report, Mayor Lynch:** Nothing to Report.
- **Parks & Recreation, Sarah Jennings:** Report is attached.
- **Recorder’s Report, Mike Housewright:** Report is attached.
- **Financial Reports for March 2017, Mike Housewright:** Report is attached.

A motion was made by Vice-Mayor Hopson to approve the financial report as presented and was seconded by Alderman Cooper. The roll call vote was unanimous in favor.

Announcements: None

Adjournment: There being no further business Mayor Lynch called for a motion to adjourn at 7:51 p.m. Vice-Mayor Hopson made a motion to adjourn and was seconded by Alderman Linville.

The vote was unanimous in favor.

Mayor Johnny Lynch

Mike Housewright, City Recorder

LEGAL SERVICES AGREEMENT

This Legal Services Agreement made and entered into this ____ day of _____, 2017, by and between the Town of Unicoi, Tennessee, by and through its Mayor and Board of Mayor and Aldermen, hereinafter "First Party", and Lois B. Shults-Davis, hereinafter "Second Party";

WITNESSETH:

WHEREAS, since 1999, Second Party has served as Town Attorney for First Party;

WHEREAS, the parties desire to reduce to writing the parties' modified agreement concerning Second Parties' service as Town Attorney; and

WHEREAS, the parties' agreed in 2006, 2010, 2012 and 2017, to certain modifications of the payment to be made for said services;

NOW THEREFORE, for and in consideration of the premises and the covenants hereinafter contained the parties hereto have covenanted and agreed as follows:

1. First party continues to retain and the Second Party shall continue to provide legal services to the Town of Unicoi as requested by the Mayor, the Board of Mayor and Aldermen and/or the Town Recorder in representing the Town as requested and/or needed in legal proceedings, administrative matters, attending meetings, drafting and/or revising of documents, providing research services, and such other legal services as may be necessary and appropriate in serving the needs and interests of the Town of Unicoi and its citizens.

2. The foregoing is not to be construed to mean that all the enumerated services

shall be performed entirely by Second Party as for example in the provision of representation through associated counsel in matters covered by insurance wherein representation and/or defense is provided unto the Town with the assistance of Second Party and as further example in the long standing practice of formulating or initial formulating of documents in the Town Office by the Town Recorder which drafts are reviewed and edited as needed by the Town Attorney. In the event that it is necessary for the Second Party to do an initial draft of a resolution, ordinance or other document the same shall be provided by the Second Party upon the information necessary to such drafting having been provided unto her. The Second Party shall work closely with the Town Recorder to cooperatively, through their joint efforts and the efforts of others to obtain the documents and other such process or things as are needed to the efficient, productive and regular accomplishment of the business and functioning of the Town of Unicoi.

3. First Party shall continuing with the 2017 to 2018 fiscal year pay a retainer unto Second Party of \$1,000.00 per month. This retainer shall be applied to services rendered at the rate of \$175.00 per hour. In any month in which time over the retainer is expended at the rate set out above First Party shall pay Second Party for such time expended over retainer at the rate of \$175.00 per hour. Further, Second Party shall be reimbursed for reasonable expenses incurred in provision of legal services. Any questions of the Town Recorder as to billings of the Second Party shall be addressed by the Town Recorder first with Second Party who shall provide such explanation or documentation regarding same as appropriate to the billing question raised. In the event

any billing questions are not resolved by this mechanism, the same shall be submitted to the Town Mayor for review.

4. First Party shall make available unto Second Party through the Town Office and the efforts of the Town Recorder all information reasonably and timely necessary to provision of the services set forth herein.

WITNESS the due execution by the parties affixed hereto below the day and date first above written.

TOWN OF UNICOI, FIRST
PARTY

By: _____
JOHNNY LYNCH, MAYOR
OF THE TOWN OF UNICOI

LOIS B. SHULTS-DAVIS, TOWN
ATTORNEY
SECOND PARTY

ATTEST:

MIKE HOUSEWRIGHT
TOWN RECORDER



RESOLUTION 2017 - 266

A RESOLUTION OF THE BOARD OF MAYOR AND ALDERMEN OF UNICOI, TENNESSEE FOR CONTRACTING WITH THE MUNICIPAL ADVISORY SERVICE TO CODIFY THE TOWN'S ORDINANCES

Be it resolved by the governing body of the Town of Unicoi, Tennessee, that the Municipal Technical Advisory Service is hereby requested to codify and revise the ordinances of the Town of Unicoi at the earliest possible date. The Town of Unicoi agrees to pay the Municipal Technical Advisory Service \$4,800 for the codification and revision of its ordinances based on their current population of 3,632. Fifty percent (50%) of the cost will be paid when ordinances are requested for codification and the remaining fifty percent (50%) will be paid upon delivery of the first draft of the municipal code.

Passed and adopted by the governing body on the 17th day of July, 2017

APPROVED:

ATTEST:

Mayor

Town Recorder

June 2017 Cash Activities					
Date	Description	Deposit Amounts	Amount	Account Type	Account Code
6/1/17	Beginning Balance:	\$ 808,065.13	Debit 11211		Credit
6/28/17	Building Permit		600.00	Building Permit	32600
6/7/17	Court Citations		138.75	Municipal Court Fine	35110
6/7/17	Pinnacle Shirt Sales		40.00	Parks and Rec Donation	36721
6/7/17	Court Citations		125.00	Municipal Court Fine	35110
6/13/17	Empire Distributing		4.43	Wholesale Beer Tax	31710
6/13/17	Empire Distributing		545.53	Wholesale Liquor Tax	31720
6/13/17	Knoxville Beverage Company, Inc		561.05	Wholesale Liquor Tax	31720
6/13/17	Unicoi Water Dept		200.00	Utility Road Cut Permit	32650
6/13/17	SF Sponsorship		250.00	Strawberry Festival	36720
6/22/17	Space Rental		200.00	Strawberry Festival	36720
6/22/17	Tag Sale		10.00	Parks and Rec Donation	36721
6/22/17	Triple "C" Distributing Company		359.99	Wholesale Liquor Tax	31720
6/23/17	Ruritan		\$ 2,000.00	Ruritan Reimbursement	36734
6/23/17	Cherokee Distributing		2,732.63	Wholesale Beer Tax	31710
6/23/17	Athens Distributing		68.93	Wholesale Beer Tax	31710
6/23/17	Holston Distributing		2,027.09	Wholesale Beer Tax	31710
6/23/17	Athens Distributing		85.16	Wholesale Liquor Tax	31720
6/23/17	Beverage Control		1,518.38	Wholesale Liquor Tax	31720
6/23/17	D & V Distributing		328.13	Wholesale Liquor Tax	31720
6/28/17	Court Citations		138.75	Municipal Court Fine	35110
6/28/17	Farmers' Market		55.00	Farmers' Market	36731
6/28/17	TOU Cap		15.00	Parks and Rec Donation	36721
6/28/17	MHK Shirt Sales		120.00	MHK Donation	36730
6/28/17	Paul Berry - UC Treasurer		61,456.19	Local Sales Tax	31610
6/30/17	Visitor		25.00	Parks and Rec Donation	36721
6/30/17	TN Arts Commission		7,010.00	Creative Placemaking Grant	33470
6/20/17	State of Tennessee - Shared Taxes		45,900.21		
	Telecommunications Sales Tax	35.89		Telecomm Tax	33511
	State Gasoline Tax	8,861.58		Gasoline Tax	33551
	City Streets & Transportation Tax	611.33		City Streets Tax	33552
	State Sales Tax	25,807.00		State Sales Tax	33510
	City Mixed Drink Tax	339.50		Mixed Drink Tax	33540
	State Beer Tax - Semi-Annually			State Beer Tax	33530
	TVA - In Lieu of City Tax - Quarterly	10,244.91		TVA Tax	33591
	State of Tennessee Hall Income Tax			Income Tax	33520
	EDA Mountain Harvest Reimbursement		213,770.00	EDA Grant	
		213,770.00			
	TDOT - Interstate Mowing Contract		8,453.25	Interstate Mowing Contract	33550
	TDOT - Interstate Mowing Contract	8,453.25			
6/30/17	Interest Income:		155.84		
	Checking Account	151.70		Interest Income	36120
	Sweep Account	4.14			
	Total Incoming Revenue:		348,894.31		
	Auto-Drafts:		(21,064.35)		
6/30/17	Fuelman	(205.67)			
6/12/17	TCRS	(1,784.73)			
5/15/17	State of TN Health Insurance	(5,557.87)			
6/15/17	Rural Development Loan	(4,451.00)			
6/26/17	New Office Loan	(3,150.60)			
6/30/17	Service Charge	(5.00)			
6/27/17	IRS - Payroll Taxes	(3,280.54)			
6/12/17	IRS - Payroll Taxes	(2,628.94)			
	Total June Payables less Transfers	\$ (143,242.66)			
			\$ (143,242.66)		
6/30/17	Ending Balance:		\$ 992,652.43	\$ -	Difference

Town of Unicoi Cash Summary for June 2017

Bank of Tennessee Checking Account:	\$ 992,652.43
State of Tennessee Investment Pool:	\$ 154.38
Certificates of Deposit:	
Mountain Commerce Bank - #377788 - Matures in April 30, 2017 Int. is 0.8%	\$ 106,656.92
Total CD's:	\$ 106,656.92
Jack E. Snider Estate Fiduciary Fund CD (Not included in calculations below)	\$ 124,274.52
First Tennessee Bank - # 189374403 - Matures on January 31, 2017 - Interest is 0.25%	
Total Funds available before Debt Reserves June 30, 2017:	\$ 1,099,463.73
High School Bond Reserve:	\$ 87,500.00
Total Funds available after Debt Reserves June 30, 2017:	\$ 1,011,963.73
Months of Fund Balance available for operations:	7.7
Total Funds available after Debt Reserves on May 31, 2017:	\$ 1,085,989.23
June Fund Balance Change after Debt Reserves:	\$ (74,025.50)
Fiscal 2017 Year-to-Date Fund Balance Change after Debt Reserves:	\$ 242,784.44

	Debt Description	Original Amounts
Debts	Sewer Bond - September 2045 - Interest Rate is 4.375%	\$ 1,010,124.00
	High School Bond - New Agreement - April, 2020 -Principal Only	\$ 1,531,250.00
	New Information Center - March 26, 2024 - Interest Rate is 3.45%	\$ 370,000.00
	Total:	\$ 2,911,374.00
	Debt Balances as of May 31, 2017	Current Amounts
Debts	Sewer Bond - September 2045 - Interest Rate is 4.375%	\$ 861,110.00
	New Information Center - March 26, 2024 - Interest Rate is 3.45%	\$ 229,471.75
	Capital Outlay Note - June 2029 Interest Rate 2.67%	\$ 925,000.00
	Total:	\$ 2,015,581.75
Financial Obligations	High School Bond - New Agreement - April, 2020 - Principal Only	\$ 437,500.00

TOWN OF UNICOI - Cash Activity for June 2017

Check #	Date	DESCRIPTION	AMOUNT
113	6/9/2017	Patricia A. Bennett	\$581.91
114	6/9/2017	Danny R Coffie	\$926.07
115	6/9/2017	Suzan G Harkins	\$381.70
116	6/9/2017	Michael D Housewright	\$1,467.82
117	6/9/2017	Sarah Jennings	\$1,185.74
118	6/9/2017	Tony L Street	\$901.23
119	6/9/2017	Tina M Wilcox	\$661.39
120	6/9/2017	Dwight G Harrell	\$112.38
121	6/23/2017	Patricia A. Bennett	\$536.27
122	6/23/2017	Danny R Coffie	\$901.07
123	6/23/2017	Suzan G Harkins	\$400.96
124	6/23/2017	Michael D Housewright	\$1,455.50
125	6/23/2017	Sarah Jennings	\$1,219.02
126	6/23/2017	Tony L Street	\$876.23
127	6/23/2017	Tina M Wilcox	\$667.17
128	6/23/2017	Dwight G Harrell	\$212.37
129	6/26/2017	Kathryn Bullen	\$325.14
130	6/26/2017	Billy R Harkins Jr	\$55.41
131	6/26/2017	Douglas Hopson	\$380.55
132	6/26/2017	Jeffrey L Linville	\$280.14
12895	6/1/2017	Aggregates Usa	\$544.32
12896	6/1/2017	Anthony Campbell	\$9.00
12897	6/1/2017	Don Bombailey	\$175.00
12898	6/1/2017	Dry Creek Storage	\$60.00
12899	6/1/2017	Elizabethton Electric	\$10.63
12900	6/1/2017	Erwin Utilities	\$1,561.08
12901	6/1/2017	Southeastern Autorama	\$75.00
12902	6/1/2017	U. C. High School	\$132.00
12903	6/1/2017	Unicoi Water Utility District	\$172.98
12904	6/6/2017	Centurylink	\$623.90
12905	6/6/2017	Clinchfield Sr. Adult Center	\$3,000.00
12906	6/6/2017	Liberty Lumber	\$41.94
12907	6/6/2017	Liberty National	\$120.52
12908	6/6/2017	Shaw & Shanks Architects, Pc	\$297.25
12909	6/6/2017	Thermocopy	\$15.00
12910	6/6/2017	Unicoi United Methodist Church	\$117.00
12911	6/7/2017	Armstrong Contrsuction Company, Inc	\$1,668.99
12912	6/7/2017	Computer Guy	\$79.90
12913	6/7/2017	Unicoi County Gas Utility District	\$199.33
12914	6/9/2017	Lee Manning	\$1,895.78
12915	6/8/2017	Joe Pilkenton	\$3,500.00
12916	6/8/2017	Tanasi	\$2,000.00
12917	6/12/2017	Tennessee Dept. Of Revenue	\$27.50
12918	6/13/2017	A & S Sanitation, Inc	\$1,040.00
12919	6/13/2017	American Cancer Society	\$1,500.00
12920	6/13/2017	Blue Ridge Food Ventures	\$175.00
12921	6/13/2017	Bristol Broadcasting Co.	\$785.00
12922	6/13/2017	Campus Chalet	\$223.43
12923	6/13/2017	Centriworks	\$183.06
12924	6/13/2017	Children's Advocacy Center	\$1,000.00
12925	6/13/2017	Chips	\$2,000.00
12926	6/13/2017	Comcast Cable	\$304.30

12927	6/13/2017	Construction Asphalt Paving .Services	\$7,926.05
12928	6/13/2017	Cumulus - Johnson City	\$380.00
12929	6/13/2017	Habitat For Humanity	\$2,000.00
12931	6/13/2017	Jones Hardware	\$586.73
12932	6/13/2017	Lowe's Commercial Services	\$42.90
12933	6/13/2017	Mid Appalachian Highland Club	\$75.00
12934	6/13/2017	Motivation Electric	\$150.00
12935	6/13/2017	Northeast Tennessee Media	\$1,058.30
12936	6/13/2017	Packer's Concessions	\$15.00
12937	6/13/2017	Permatile Concrete Products Company	\$1,062.40
12938	6/13/2017	Sarai Alvarado	\$62.50
12939	6/13/2017	Second Harvest Food Bank Of Northeast Tennessee	\$500.00
12940	6/13/2017	Stafford Custom Graphics, Llc	\$130.00
12941	6/13/2017	U.C. 4-H Donation	\$3,000.00
12942	6/13/2017	Unicoi Church Of God	\$2,000.00
12943	6/13/2017	Unicoi County Soil Conservation District	\$2,000.00
12944	6/13/2017	University Of Tennessee - Mtas	\$200.00
12945	6/13/2017	Johnson City Utility System	\$22.13
12948	6/19/2017	Don Bombailey	\$175.00
12949	6/19/2017	First Bankcard	\$5,037.93
12950	6/19/2017	Granny's Fireworks	\$5,000.00
12951	6/19/2017	Sam's Wholesale Club	\$615.20
12952	6/19/2017	Thomas Hylton	\$50.00
12953	6/23/2017	Lee Manning	\$1,870.77
12954	6/23/2017	Joe Greene	\$537.07
12955	6/26/2017	Charles R Cooper	\$225.14
12956	6/26/2017	Phillip H Hensley	\$55.41
12957	6/26/2017	Johnny M Lynch	\$976.10
12958	6/26/2017	Iris G Norman	\$55.41
12959	6/26/2017	Jerry Ramsey	\$55.41
12960	6/26/2017	Robert B Sahli	\$55.41
12961	6/27/2017	Accelerated Mail Service	\$779.09
12962	6/29/2017	Aflac	\$169.82
12963	6/29/2017	Centriworks	\$173.75
12964	6/29/2017	Elizabethton Electric	\$11.19
12965	6/29/2017	Erwin Utilities	\$1,567.18
12966	6/29/2017	Fleenor Security Systems	\$560.00
12967	6/29/2017	Tennessee Guardrail, Inc.	\$2,710.00
12968	6/29/2017	Unaka Mtn. Search & Rescue	\$3,000.00
12969	6/29/2017	Unicoi County Animal Shelter	\$43,248.00
12970	6/29/2017	Unicoi County Heritage Museum	\$2,500.00
12971	6/29/2017	Unicoi Water Utility District	\$177.33
12973	6/30/2017	Patricia A. Bennett	\$298.24
12974	6/30/2017	Danny R Coffie	\$519.71
12975	6/30/2017	Joe Greene	\$181.78
12976	6/30/2017	Suzan G Harkins	\$207.12
12977	6/30/2017	Michael D Housewright	\$804.23
12978	6/30/2017	Sarah Jennings	\$616.80
12979	6/30/2017	Lee Manning	\$978.26
12980	6/30/2017	Tony L Street	\$573.61
12981	6/30/2017	Tina M Wilcox	\$340.22
12982	6/30/2017	Atech Incorporated	\$1,909.56
12983	6/30/2017	Mar-Co, Llc.	\$7,650.00
12984	6/30/2017	Shults & Shults	\$1,280.93

Total Disbursements:

\$143,242.66

110	General Fund	Account	Description	Year-To-Date		% of Budget	Estimate Avg/Mth	Month-To-Date	
				Budget Estimate	Actual			Actual	% of Avg
Revenues									
				2,954,949.00	(1,787,373.95)	60.49 %	246,245.75	348,969.31	-141.72 %
Total				2,954,949.00	(1,787,373.95)	60.49 %	246,245.75	348,969.31	-141.72
Total Revenues									
Expenditures									
110			Salary - City Recorder	(52,800.00)	52,598.40	99.62 %	(4,400.00)	4,615.37	104.89 %
112			Wages - P/T Year-Around Maintenance	(11,034.00)	21,264.14	192.71 %	(919.50)	2,486.00	270.36 %
113			Wages - P/T Seasonal Maintenance	0.00	864.00	0.00 %	0.00	864.00	0.00 %
114			Wages - Animal Control	(43,248.00)	43,248.00	100.00 %	(3,604.00)	43,248.00	1,200.00 %
115			Wages - F/T Year-Around Maintenance	(35,876.00)	33,997.86	94.76 %	(2,989.67)	3,136.00	104.89 %
116			Wages - P/T Office Assistant	(25,500.00)	24,000.91	94.12 %	(2,125.00)	2,228.00	104.85 %
119			Salaries - Bma	(28,875.00)	29,200.00	101.13 %	(2,406.25)	1,925.00	80.00 %
120			Salaries - Bza / Pc	(7,260.00)	5,640.00	77.69 %	(605.00)	420.00	69.42 %
121			Parks & Recreation Director	(40,700.00)	39,967.24	98.20 %	(3,391.67)	3,664.40	108.04 %
122			Wages - F/T Year-Around Maintenance	(34,892.00)	33,526.02	96.09 %	(2,907.67)	3,120.90	107.33 %
123			Wages - F/T Americorps Volunteer	(10,000.00)	4,942.49	49.42 %	(833.33)	0.00	0.00 %
125			Wages - Kitchen Manager	(60,000.00)	8,076.92	13.46 %	(5,000.00)	5,769.23	115.38 %
126			Salary - Assistant City Recorder	0.00	1,412.09	0.00 %	0.00	0.00	0.00 %
127			Parks and Recreational Aid	(8,500.00)	366.25	4.31 %	(708.33)	340.00	48.00 %
129			Building Inspector	(6,000.00)	6,044.89	100.75 %	(500.00)	650.00	130.00 %
135			Severance Pay	(5,000.00)	0.00	0.00 %	(416.67)	0.00	0.00 %
141			Payroll Taxes	(22,826.05)	37,135.17	162.69 %	(1,902.17)	8,096.97	425.67 %
142			Hospital & Health Insurance	(62,822.00)	64,500.15	102.67 %	(5,235.17)	5,803.45	110.86 %
143			Retirement - Accrual	(12,285.21)	5,343.49	43.50 %	(1,023.77)	1,585.26	154.85 %
146			Worker's Compensation	(5,456.00)	5,191.00	95.14 %	(454.67)	0.00	0.00 %
147			Unemployment Insurance	(764.00)	1,486.12	194.52 %	(63.67)	0.00	0.00 %
148			Education & Training	(12,300.00)	1,255.00	10.20 %	(1,025.00)	375.00	36.59 %
149			Optional Insurance	(1,500.00)	1,961.69	130.78 %	(125.00)	290.34	232.27 %
172			Election Fees	(3,500.00)	3,763.89	107.54 %	(291.67)	0.00	0.00 %
209			Building Inspector Expenses	(2,500.00)	1,250.00	50.00 %	(208.33)	100.00	48.00 %
236			Public Relations, Good Will	(3,000.00)	2,001.91	66.73 %	(250.00)	95.53	38.21 %
239			Membership Dues	(1,964.00)	1,129.00	57.48 %	(163.67)	0.00	0.00 %
241			Electric	(21,850.00)	15,057.38	68.91 %	(1,820.83)	2,669.29	146.60 %
242			Water Utilities	(4,125.00)	2,232.51	54.12 %	(343.75)	372.44	108.35 %
244			Gas Utilities	(3,950.00)	1,285.22	32.54 %	(329.17)	199.33	60.56 %

110	General Fund	Account	Description	Year-To-Date		Month-To-Date		
				Budget Estimate	Actual	% of Budget	Estimate Avg/Mth	Actual
245		Telephone	(13,000.00)	11,208.19	86.22 %	(1,083.33)	1,178.20	108.76 %
247		Street Lighting	(2,000.00)	2,128.43	106.42 %	(166.67)	425.02	255.01 %
249		Ftdd Planning Services	(8,340.00)	8,340.00	100.00 %	(695.00)	0.00	0.00 %
252		Legal Services	(29,500.00)	24,071.60	81.60 %	(2,458.33)	1,425.00	57.97 %
253		Accounting & Auditing Services	(13,500.00)	14,000.00	103.70 %	(1,125.00)	0.00	0.00 %
254		Engineering	(3,000.00)	0.00	0.00 %	(250.00)	0.00	0.00 %
255		Data Processing Services	(2,493.00)	2,788.00	111.83 %	(207.75)	0.00	0.00 %
256		Netta	(500.00)	500.00	100.00 %	(41.67)	0.00	0.00 %
258		Economic Development Membership	(15,148.00)	0.00	0.00 %	(1,262.33)	0.00	0.00 %
259		Ftdd	(763.00)	763.00	100.00 %	(63.58)	0.00	0.00 %
260		Data Back-Up Service	(160.00)	0.00	0.00 %	(13.33)	0.00	0.00 %
261		Repair & Maintenance - Motor Vehicles	(3,500.00)	2,627.26	75.06 %	(291.67)	0.00	0.00 %
262		Small Mtce Equipment & Hand Tools	(4,000.00)	1,068.55	26.71 %	(83.33)	0.00	0.00 %
263		New Payroll Accounting Software	(5,650.00)	5,647.83	99.96 %	(470.83)	0.00	0.00 %
265		Grounds Maintenance	(5,000.00)	736.73	14.73 %	(416.67)	586.73	140.82 %
266		Building Maintenance	(17,700.00)	1,324.06	7.48 %	(1,475.00)	0.00	0.00 %
267		Repair & Maintenance - Annex	(4,000.00)	0.00	0.00 %	(333.33)	0.00	0.00 %
268		Street Maintenance & Repair	(302,000.00)	252,021.72	83.45 %	(25,166.67)	20,180.59	80.19 %
270		New Equipment Purchase	(46,000.00)	39,797.00	86.52 %	(3,833.33)	0.00	0.00 %
275		Repair & Maintenance - Visitor Center	0.00	2,000.00	0.00 %	0.00	0.00	0.00 %
276		Building Security	(2,000.00)	920.00	46.00 %	(166.67)	560.00	336.00 %
280		Travel & Entertainment	(15,850.00)	20,205.37	127.48 %	(1,320.83)	390.61	29.57 %
299		Miscellaneous Expenses	(8,400.00)	6,779.45	80.71 %	(700.00)	562.31	80.33 %
300		Electric Automobile Charger	(4,000.00)	0.00	0.00 %	(333.33)	0.00	0.00 %
305		Mhk Equipment	(93,000.00)	49,693.58	53.43 %	(7,750.00)	5,829.82	75.22 %
310		Office Supplies	(27,750.00)	17,484.99	63.01 %	(2,312.50)	1,157.23	50.04 %
312		Small Items Of Office Equipment	(1,000.00)	38.40	3.84 %	(83.33)	0.00	0.00 %
313		Computer Software & Website	(1,500.00)	855.85	57.06 %	(125.00)	0.00	0.00 %
315		Advertising, Brochures, Literature, Etc.	(15,000.00)	13,101.02	87.34 %	(1,250.00)	3,157.54	252.60 %
321		Landscaping Program	(5,500.00)	1,497.15	27.22 %	(458.33)	132.00	28.80 %
323		Unicoi Town Banners	(2,500.00)	1,931.87	77.27 %	(208.33)	0.00	0.00 %
324		Janitorial Supplies	(100.00)	0.00	0.00 %	(8.33)	0.00	0.00 %
325		Recreation Projects & Equipment	(5,000.00)	10,513.76	210.28 %	(416.67)	5,923.00	1,421.52 %
326		Interstate Mowing	(49,000.00)	40,689.11	83.04 %	(4,083.33)	0.00	0.00 %
328		Educational Supplies & Reference	(1,000.00)	0.00	0.00 %	(83.33)	0.00	0.00 %
329		Other Operating Supplies	(500.00)	0.00	0.00 %	(41.67)	0.00	0.00 %
342		Town Of Unicoi Signage	(5,700.00)	0.00	0.00 %	(475.00)	0.00	0.00 %
345		Road Sign Replacement	(2,000.00)	434.65	21.73 %	(166.67)	0.00	0.00 %
360		Economic Development Plan	(3,000.00)	0.00	0.00 %	(250.00)	0.00	0.00 %

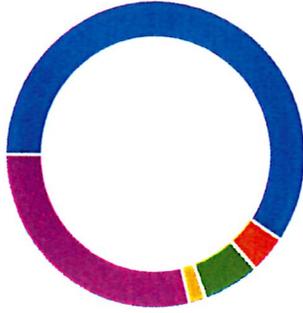
110	General Fund	Account	Description	Year-To-Date		% of Budget	Month-To-Date		% of Avg
				Budget Estimate	Actual		Estimate Avg/Mth	Actual	
361			Business Alliance Development	(3,000.00)	2,894.00	96.47 %	(250.00)	0.00	0.00 %
510			General Liability Insurance ~	(14,500.00)	14,340.00	98.90 %	(1,208.33)	0.00	0.00 %
521			Building Insurance	(18,500.00)	10,153.00	54.88 %	(1,541.67)	0.00	0.00 %
555			Bank Service Charges	(100.00)	60.00	60.00 %	(8.33)	5.00	60.00 %
562			Municipal Court Expenses	(2,000.00)	1,089.48	54.47 %	(166.67)	27.50	16.50 %
600			Debt Service	(19,500.00)	0.00	0.00 %	(1,625.00)	0.00	0.00 %
601			High School Bond Issue	(175,000.00)	131,250.00	75.00 %	(14,583.33)	0.00	0.00 %
611			Mcb Credit Line Principal	(220,508.66)	0.00	0.00 %	(18,375.72)	0.00	0.00 %
614			Sewer Bond Principal	0.00	15,371.74	0.00 %	0.00	1,306.77	0.00 %
615			New Office Loan Principal	0.00	30,310.34	0.00 %	0.00	2,468.92	0.00 %
631			Sewer Bond Interest	0.00	38,040.26	0.00 %	0.00	3,144.23	0.00 %
632			Mcb Credit Line Interest	(138,156.00)	3,978.93	2.88 %	(11,513.00)	0.00	0.00 %
633			New Office Loan Interest	0.00	8,496.86	0.00 %	0.00	681.68	0.00 %
700			4th Of July Freedom Fest	(12,000.00)	13,075.79	108.96 %	(1,000.00)	5,000.00	500.00 %
701			Strawberry Festival	(6,000.00)	6,337.76	105.63 %	(500.00)	1,678.92	335.78 %
702			Fall Festivals	(4,000.00)	1,735.00	43.38 %	(333.33)	0.00	0.00 %
704			Spring Festivals	(500.00)	65.00	13.00 %	(41.67)	0.00	0.00 %
705			History Committee	(2,000.00)	(1,193.61)	-59.68 %	(166.67)	0.00	0.00 %
706			Cyclocross	(2,000.00)	2,000.00	100.00 %	(166.67)	0.00	0.00 %
721			Chips Donation	(2,000.00)	2,000.00	100.00 %	(166.67)	2,000.00	1,200.00 %
724			4-H Club Donation	(3,000.00)	3,000.00	100.00 %	(250.00)	3,000.00	1,200.00 %
727			Heritage Museum Donation	(2,500.00)	2,500.00	100.00 %	(208.33)	2,500.00	1,200.00 %
728			Uc Public Library Donation	(4,000.00)	4,000.00	100.00 %	(333.33)	0.00	0.00 %
730			Clinchfield Senior Adult Center	(3,000.00)	3,000.00	100.00 %	(250.00)	3,000.00	1,200.00 %
732			Second Harvest Food Bank Donation	(500.00)	500.00	100.00 %	(41.67)	500.00	1,200.00 %
733			Veterans Affairs Donation	(1,000.00)	1,000.00	100.00 %	(83.33)	0.00	0.00 %
734			Unicoi Church Of God Food Bank	(2,000.00)	2,000.00	100.00 %	(166.67)	2,000.00	1,200.00 %
735			Children's Advocacy Center	(1,000.00)	1,000.00	100.00 %	(83.33)	1,000.00	1,200.00 %
737			American Cancer Society	(1,500.00)	1,500.00	100.00 %	(125.00)	1,500.00	1,200.00 %
738			Habitat For Humanity	(2,000.00)	2,000.00	100.00 %	(166.67)	2,000.00	1,200.00 %
740			Uc Soil Conservation District	(2,000.00)	2,000.00	100.00 %	(166.67)	2,000.00	1,200.00 %
749			Recover Appalachia	0.00	2,500.00	0.00 %	0.00	0.00	0.00 %
781			Mhk USDA Facilities Grant	0.00	5,052.97	0.00 %	0.00	0.00	0.00 %
783			Mhk Eda Grant	(712,000.00)	711,013.82	99.86 %	(59,333.33)	1,966.24	3.31 %
786			Roadscapes	(6,000.00)	0.00	0.00 %	(500.00)	0.00	0.00 %
789			Unaka Mountain Search & Rescue	(3,000.00)	3,000.00	100.00 %	(250.00)	3,000.00	1,200.00 %
790			Unicoi Volunteer Fire Dept. Donation	(54,546.89)	52,046.89	95.42 %	(4,545.57)	0.00	0.00 %
792			Srts Grant Expenditures	(5,000.00)	2,831.25	56.63 %	(416.67)	0.00	0.00 %
798			Sidewalks And Street Lights	(9,000.00)	54.55	0.61 %	(750.00)	0.00	0.00 %

Account	Description	Year-To-Date		% of Budget	Estimate Avg/Mth	Month-To-Date		% of Avg
		Budget Estimate	Actual			Actual	Actual	
110	General Fund							
Total		(2,676,392.81)	2,060,913.34	77.00 %	(223,032.73)	172,341.82	77.27 %	
Total	Expenditures	(2,676,392.81)	2,060,913.34	77.00 %	(223,032.73)	172,341.82	77.27 %	
Total	110 General Fund	278,556.19	273,539.39	-98.20 %	23,213.02	521,311.13	-2,245.77	

MHK Operating Expenses	Est. Annual Expenses	Proposed Annual Expenses
Electric	\$8,000.00	\$18,000.00
Water & Sewer	\$2,000.00	\$3,000.00
Gas	\$3,000.00	\$4,800.00
Phone & Internet	\$1,500.00	\$1,860.00
Grounds Maintenance	\$1,000.00	\$3,000.00
pest control		\$600.00
Building Maintenance	\$1,500.00	\$3,000.00
waste disposal		\$2,262.00
Security	\$300.00	\$2,000.00
Conferences/Training	\$4,500.00	\$4,500.00
Misc	\$2,000.00	\$2,000.00
Equipment	\$5,000.00	\$10,000.00
Office Supplies	\$3,500.00	\$3,500.00
Point of Sale Management		\$780.00
Staff	\$60,000.00	\$74,000.00
Annual Est Expenses	\$92,300.00	\$133,302.00
Monthly Est Expenses	\$7,691.67	\$11,108.50

- Suggested New Client Promotion:
The first 10 hours for each client will be discounted 50% as a start-up promotion. The discount will be available until January 1st.
- Rate Structure Flexibility, easier to decrease than increase
-Possible non-commercial rate

MHK Income Sources



■ Facility Rental ■ Dry Storage ■ Cold Storage ■ Workshops ■ Client Consulting

SUSTAINABLE OPERATING BUDGET PROJECTION

	6 mo	1 year	2 year	3 year
	Feb 2018	Aug 2018	Aug 2019	Aug 2020
FACILITY RENTAL	8 hr/wk	16 hr/wk	34 hr/wk	66 hr/wk

utilization capacity % in 24/7 operation*
at \$25/hour, gross sales/wk
gross sales/mo

5%	10%	20%	39%
\$200	\$400	\$850	\$1,650
\$800	\$1,600	\$3,400	\$6,600

DRY STORAGE 3 clients / mo 5 clients / mo 10 clients / mo 15 clients / mo

at \$30/unit, gross sales/mo \$75 \$125 \$250 \$450

COLD STORAGE 3 clients / mo 5 clients / mo 10 clients / mo 15 clients / mo

at \$45/unit, gross sales/mo \$135 \$225 \$450 \$675

WORKSHOPS/CLASSES

0/mo 1/mo 2/mo 2/mo

at \$100/class, gross sales/mo 0 100 200 200

NEW CLIENT CONSULTING

7 10 10 10

at \$80 ea gross, sales/mo \$2,240 \$3,200 \$3,200 \$3,200

GROSS SUM \$3,250 \$5,250 \$7,500 \$11,125

* does not account for multiple users in space

Revenue Streams

Mountain Harvest Kitchen Application Form

Date _____

Full Name _____

Company Name _____

Address _____

City, State, Zip _____

Telephone # _____

Email Address _____

Website _____

Would you like to receive MHK email updates about upcoming courses, etc.? Yes No

How did you hear about the Mountain Harvest Kitchen?

Web search News article Word-of-mouth Special event

Other: _____

Briefly describe your product or service: _____

Which categories apply to you or your product in relation to your MHK rental?

- Caterer/personal chef
- Baked goods (breads, cakes, cookies, etc.)
- Fresh-cut or value-added produce (diced vegetables, sliced apples, etc.)
- Frozen products
- Bottled products (salsas, sauces, dressings, etc.)
- Refrigerated products (fresh salsas, dips, tempeh, etc.)
- Dried products (fruits, mushrooms, etc.)
- Mobile food unit (food truck, food cart)
- Personal use
- Other: _____

What type of packaging does your product require? _____

What type of equipment does your product require?

- Commercial Mixer Steam Kettles Dehydrator Fillers
 Blast Freezer Convection oven

What do you anticipate for storage and receiving needs? Please check all that apply.

- Dry storage Frozen storage Refrigerated storage
 Receiving or shipping service 2x per month or more

What professional food production experience do you have? Please check all that apply.

- less than 6 months producing this product for sale
 greater than 6 months producing this product for sale
 Manager or primary producer for another food product
 Food safety certified: HACCP, BPCS or ServSafe
 Worked in food service in the following capacity: _____

What is your primary reason for applying?

- Determine feasibility of business or product
 Food safety due diligence for my product
 Explore financial opportunities for growing the business
 Considering moving production to Mountain Harvest Kitchen
 Seek feedback on product or pricing
 Seek support for market research and development
 Discuss comprehensive business planning

If you are currently in production, where are you producing? _____

What is your largest batch size to date? _____

Do you plan to sell or currently sell items at your local farmers market?

- Plan to sell at a farmer's market Currently sell at a farmer's market

Which market(s)? _____

In what stage of development is your business?

- Idea only anticipated start date: _____
- Early development date started: _____
- In production date started: _____

Do you have a marketing plan or business plan available for review? If yes, please bring with you to your consultation appointment.

- Yes, I have a marketing plan Yes, I have a business plan No

What are the estimated start-up activities and costs for your project? _____

Are you working with a business consultant?

- No, I am not currently working with a business consultant

If yes, please specify SBDC Accell Now
 Kosbe Other: _____

Mountain Harvest Kitchen Client Agreement-DRAFT

All Mountain Harvest Kitchen (MHK) clients agree to follow basic procedures which will enable our facility and staff to maintain safety, security and sanitation standards in this shared-use facility.

Client Prerequisites:

- **Prerequisites.** All clients must complete the following before using the facility:
 - MHK Application form and application fee
 - MHK Client Checklist
 - MHK Facility Orientation & Training Program completion
 - Additional applicable training programs (GMP, BPCS, ServSafe)
 - Applicable regulatory permitting documents (FDA registration & filing, Food Service permit)
 - Liability Insurance coverage, applicable for retail customers

Payment terms:

- **MHK Kitchen Rates.** In compensation for the services provided, the client shall pay the charges provided on the **MHK Kitchen Rate Sheet**.
- **New Client Payment Terms.** Payment is due at the time of service for the first 3 kitchen rentals.
- **Good Standing Payment Terms.** After the first 3 kitchen rentals, clients will be billed for kitchen use. Payment is required within 30 days of invoice date. Payments not paid within 30 days shall bear the following late fee.
 - **Late Payment Policy.** A late payment fee of 1.5% will be added to any outstanding invoices. Invoices outstanding for more than 90 shall result in kitchen suspension at the discretion of the MHK staff.
- **Cancellation Policy.** We request 48 hours cancellation notice. Cancellation fee of \$50 shall apply if you are not able to cancel within that window.

Eligibility:

- **Age Requirement.** No children under age 18 are allowed in the kitchen areas and no unsupervised children are allowed in the other areas of the facility at any time.

Personnel Good Manufacturing Practices:

- **Illness & Wound Policy.** Any person with illness or wounds that poses a reasonable possibility of food contact contamination, will be excluded from the production area and from direct food contact operations while infected or until wound is properly contained.
- **Cleanliness.** All clients working in direct contact with food, food-contact surfaces and food packaging materials must use hygienic practices.
- **Personal Cleanliness.** Clients must maintain adequate personal cleanliness during facility use.
- **Clothing.** Clean clothes are required and shall adequately protect against contamination from perspiration, hair, cosmetics, chemicals and medicines applied to skin.
- **Shoes.** MHK recommends each client purchase a pair of designated shoes to be worn at the kitchen which shall be closed toe shoes with non-slip, rubber soles should be worn for safety.

- **Outer Garments.** Aprons or Chef's jackets are to be worn over clothes during production. They shall be removed and properly stored if leaving the kitchen production area, to go outside, to the restroom, etc.
- **Hair Restraints.** Hair restraints such as hair nets, headbands, caps, etc. shall be worn within the production area.
- **Gloves.** Gloves shall be worn during food handling and used in a clean and sanitary manner.
- **No Jewelry.** All jewelry must be removed or secured.
- **Hand Washing.** Each time clients enter the production floor, after any absence from work station, after touching face or mouth and any other time when hands become soiled they shall wash their hands and arms thoroughly. More is better!

Security:

- **Log in Sheet.** When entering and leaving the facility, clients shall sign the **Log in Sheet** stating purpose and time of visit.
- **Authorized personnel only.** Only registered and authorized clients are allowed in the production areas. Clients may not transfer or assign their privileges to any third party, including the transfer of security keys or grant facility access to a third party. Violation of this will result in immediate termination of this agreement.
- **Door policy.** Building doors shall not be propped open.

Kitchen use:

- **Usage records.** Each client is required to properly fill out a **Kitchen Usage sheet** and **Cleaning Checklist** every time s/he rents the production facility.
- **Operation procedures.** Each client is required to follow the **Equipment Use and Cleaning Standard Operating Procedures**.
- **Special Equipment.** Special equipment training is required for certain pieces. Do not use any equipment you are not familiar with operating.
- **Equipment breakage policy.** It is the responsibility of the client to inform staff verbally If client breaks equipment or has other difficulties while producing. The sooner we know about an issue, the sooner we can fix it for you!
- **Shut-down Procedures.** At the end of production, all equipment shall be cleaned, sanitized, shut-off and stored properly for the next user.
- **Additional Cleaning Time.** Clients will be scheduled an additional 30 min of time per visit, free of charge, for cleaning and sanitation.
- **Cleaning non-conformance.** If clients fail to leave the facility/equipment in the proper condition, a warning and cleaning fee will be issued. MHK staff can terminate contract at discretion for cleaning non-conformances.

Storage:

- **Storage Agreement.** Clients who wish to store items at MHK must register and comply with the terms of the **Storage Agreement form**.

- **Storage Client Responsibility.** Clients are responsible for the cleanliness and organization of their storage areas; however, staff may move items if they pose a risk to the general facility. No client may organize storage spaces other than their own.
- **Stored Item Labels.** All stored food items must be clearly labeled with container's contents, date and client's name.

Facilities:

- **Bathrooms.** Bathrooms are located along the hallway leading from the office area past the lockers to the production area.
- **Consumables.** Please communicate to staff any empty consumables, paper towels, toilet paper, soap, etc.
- **Waste.** Any trash, recycling and compost that a client produces during production must be removed by the client from the production facility and disposed of properly each day. The trash dumpster is located_____, recycling is_____ and compost bins are_____.
- **Small Wares and Client Equipment.** Clients are to provide their own cleaning towels, sheet pans, ingredients, utensils, small wares and any special items necessary to their specific production needs. Personal items left behind and not stored properly will be removed without notice.
- **MHK Property.** MHK equipment shall not leave the premises.
- **Pallet Policy.** Pallets are not allowed in the production area. When transferring production materials (ingredients, jars, bags, etc.) into the production area, clients may use carts or carry by hand.

Emergencies:

- **Emergency Contact Form.** Each client must provide an **Emergency Contact Form** prior to working in the MHK kitchen.
- **Injuries.** If you sustain a minor injury while working in the kitchens, please remove yourself from the production area as quickly as possible to avoid any contamination.
 - First Aid Kits are located_____.
 - Any open wounds must be covered with a bandage & glove (when applicable) before entering the production area.
- **Emergency Policy and Contacts.** Building emergency policy and contacts are posted - _____.
- **Chemicals.** Chemical Safety Data Sheets (SDS) are in a binder located _____.

Insurance:

- **Liability Coverage.** Each client shall maintain a minimum coverage of \$1,000,000 of commercial general liability insurance, including product liability insurance with Mountain Harvest Kitchen named as an additional insured. Certificate of insurance is required before facility use.
- **Worker's Compensation.** Clients must provide proof of worker's compensation for any additional employees of their business they wish to work in the kitchens.

Confidentiality policy:

- **Media policy.** Recording or photography is not allowed on the premises without express consent of the MHK staff.
- **Confidentiality.** As a shared-use facility, MHK may be occupied by multiple clients at any given time. All parties shall respect and acknowledge proprietary knowledge is to remain confidential including recipes, techniques, formulations, financial and business records, etc.

Production Agreement:

- **Production Responsibilities.** The client assumes all production risks in connection with the facility and equipment including but not limited to, any failure of equipment during the client's use of the kitchen. MHK assumes no responsibility for any other production requirements other than use of the facility. Under no circumstances shall the MHK be liable to the client for any failure to meet volume production, expected quality and/or other failure of the production process.
- **Client Responsibility.** MHK assumes no responsibility for security or food safety standard of any equipment or supplies provided by the client.
- **Liability of Client.** MHK shall not be liable for any damages to either person or property sustained by the client or by any third party arising in any way out of the client's use, operation occupancy of the facility premises, or sale or distribution of any product manufactured on the kitchen's premises. The client agrees to indemnify, defend and hold harmless MHK and its employees from any and all claims, costs and liabilities arising from or in connection with damages, injuries to persons or property in, upon or about the MHK premises or any portions thereof or resulting from the sale, distribution and use of any service provided or product manufactured at the facility for or by the client.
- **Groups.** The group leader shall be responsible for the supervision of group participants.
- **Services.** MHK makes no representations, warranties or guarantees that the services provided will result in the success of the clients' company. The clients alone are in control of the company and its success or failure.
- **Damages.** In the event that damages to equipment or the facility are found to be the result of client negligence, the offending party may be held financially responsible for the cost of repairs and/or replacement.
- **Compliance with Laws.** The client agrees to operate in full compliance with all applicable federal and state laws and agrees to furnish all documentation required to prove compliance.
- **Client Agreement Changes and Addendums.** MHK reserves the right to make changes and addendums to this agreement.

Staff:

- **MHK Assistance.** The MHK staff is happy to help as much possible. Our expectation is that you will ask for assistance if you do not understand equipment, safety procedures or effective kitchen use, but otherwise you will be self-sufficient in the kitchen.

By signing below, you as a client, agree to the rules stated in this document and orientation training and will follow them with the utmost respect for the staff and this facility. If these policies are violated, MHK reserves the right to impose a fine or terminate agreement.

Printed client name: _____

Business name: _____

Signature: _____

Date: _____

Mountain Harvest Kitchen Client Checklist-DRAFT

- Meet with MHK staff to discuss your product or service idea and business plans. Please bring product prototypes or samples and any financial or marketing plans.
- Commercial users: discuss your product or service with the appropriate agency (Tennessee Department of Health, Tennessee Department of Agriculture, FDA) to insure your product or process meets regulatory requirements.
- Complete the **MHK application form** and **pay security deposit**.
- Complete the **MHK Facility Orientation & Training Program**.
- Carefully review and sign the **User Services Contract** which make up the legal framework for facility use. This form needs to be re-submitted annually.
- Obtain Liability Insurance with MHK named as the "additional named insured".
- Schedule **final training meeting** with MHK prior to first production.

Packaged Foods:

- Attend **Good Manufacturing Practices training session**.
- Obtain a Letter of Process Approval if your product is an acidified food, fermented food, dried food or other food as deemed necessary by MHK or Department of Agriculture.
- Complete Better Process Control School if manufacturing acidified foods.
- Present copies of:
 - o Product liability Insurance coverage
 - o Worker's Comp insurance coverage, if applicable (co-owners & spouses exempt)
 - o FDA facility registration (form 2541)
 - o Process Approval Letter, if applicable
 - o Nutrition facts panel exemption form
 - o Better Process Control School completion certificate
- Bring the following to your final training with MHK:
 - o Label review
 - o Packaging review
 - o Production records
 - Master Production Plan
 - Batch Production Sheet (tracking system)
 - Other processing records
 - o Product recall plan
 - o Employee training plan and records

Caterers/Mobile Unit Operators:

- Complete ServSafe or equivalent course approved by Tennessee Health Department.
- Present copies of:
 - o Liability Insurance coverage
 - o ServSafe or equivalent course completion certificate
 - o Tennessee Health Department Food Service Permit copy
- Bring the following to your final training with MHK:
 - o Employee training plan and records

Mountain Harvest Kitchen Rates-DRAFT

Getting Started:

- Application and Initial Consultation: \$80 (one-time fee)
This includes a facility tour and a one-on-one planning meeting with MHK staff to discuss the client's business and go over the MHK facility policies and services. If client decides to use the kitchen as a processing facility, the fee will also cover a training on facility usage, equipment operations, and safe food handling practices.
- Facility deposit: \$200 deposit (refundable)
This initial deposit is required of all clients before beginning production. It will be held during the duration of the relationship and will be returned when the client ceases to work with MHK. Your deposit may be withheld if the building or equipment is damaged due to misuse, if cleaning requirements are not met or if MHK policies are not followed.

Reservations:

- Clients will be able to schedule kitchen use after application and initial consultation is complete and facility deposit is paid.
- Reservations must be made with the MHK staff and are first come first serve.

Prep time / Production Fees:

- Regular Use fees: \$25/hr
The first 0-50 hours of use in a calendar month.
- High Use fees: \$20/hr
After 50 hours of use in a calendar month, this rate is available.

Specialty Item Fees: Certain products and processes require a relatively long hold time and usage rates will be set per 24-hour period.

- Dehydrator: \$20 per 24-hour period (or part thereof)
- Proofer: \$20 per 24-hour period (or part thereof)

Additional Services:

- Storage Fees:
 - Dry storage shelf: \$25 per month
 - Cooler and Freezer shelf: \$45 per month, includes emergency generator back-up
 - Clients who wish to use the facility for storage only will pay a \$25 application fee and are not required to pay deposits.
- Mobile Food Units:
Clients who wish to use the MHK facility as their commissary are subject to the following fees.
 - Application and Orientation fee: \$80
 - Potable water access and gray water dump: \$50/month. This fee does not include storage or food preparation time.
 - Additional services: general use & storage fees apply as listed above

- Group Rates:
 - Clients who wish to use the MHK facility for non-commercial processing (products made will be for personal use and will not be sold for retail), may split the rate fees with a group of up to 3 other uses.

Avoidable Fees:

- Cancellation policy: We understand unforeseen circumstances may cause conflicts with your schedule. To be fair to other MHK clients, we request that cancellations be made at least 48 hours in advance and a cancellation fee of \$50 shall apply if you are not able to let us know within that window.
- Cleaning policy: Our goal is to have a shared kitchen space that is safe, secure and clean for users at all times. We rely on the trust of all clients to follow the rules of the user agreement and take responsibility for their use of the facility. MHK reserves the right to charge cleaning fee if cleaning is not complete at the time of departure, a minimum of \$75 but may increase with scope.

Food Safety Certifications:

- ServSafe certification: \$130 for registration and course materials
MHK recommends a ServSafe class prior to starting production. This provides background to make food safely according to state and federal regulations. The class is 1-full day and is periodically held at MHK.
- HACCP certification: \$350 for registration and course materials
HACCP certification courses are offered by the UT extension program and are designed to help food manufacturers learn about the principles of HACCP-Hazard Analysis and Critical Control Points and apply those skills with instructor oversight. The class is 2-full days.
- Better Process Control School: \$500 For registration and course materials
BPCS certification courses are offered online through the UT extension program. They are designed for food manufacturers processing low-acid or acidified foods and to satisfy federal requirements.

Short Courses and Demos:

- MHK is partnered with several food industry professionals and wants to share that knowledge with you! Join our email list to learn about upcoming classes or check the MHK Calendar on our website.
- Do you want to take part in helping us grow our food community? Do you have an idea for a class? Share your ideas with us, big or small!