

## **BOARD OF MAYOR AND ALDERMEN**

September 24, 2012

A regular meeting of the Board of Mayor and Aldermen was held on September 24, 2012 at 6:00 p.m. in the Council Chambers of the Municipal Center.

Mayor Sharon Goldsworthy was present and presiding.

The following Aldermen were present: Mark Billingsley, John Drinnon, Greg Marcom and Mike Palazzolo. Alderman Ernest Chism was absent. Staff present: Patrick Lawton, George Brogdon, Kristen Geiger, Andy Pouncey, Bo Mills, Ralph Gabb, Chief Richard Hall, Assistant Chief Jeff Beaman, Butch Eder, Pam Beasley, Michael Stoll, Susan Hopson, Tony Fischer, Lisa Piefer and Dotty Johnson.

### **Call to Order**

Mayor Sharon Goldsworthy called the meeting to order at 6:08 p.m.

### **Invocation**

Parks and Recreation Director Pam Beasley gave the invocation.

### **Pledge of Allegiance**

Alderman Billingsley led the Pledge of Allegiance.

### **Approval of Agenda**

Mayor Goldsworthy stated the Board had previously asked to move agenda items 8 – Recognition of Donation – Germantown Hardware and 13 – Replacement of AHU for Police, to the Consent Agenda.

Motion by Mr. Drinnon, seconded by Mr. Marcom, to approve the agenda as amended.

ROLL CALL: Marcom–yes, Drinnon–yes, Palazzolo–yes, Billingsley–yes. Motion approved.

### **Approval of Minutes**

There were no corrections or additions to the minutes.

Motion by Mr. Marcom, seconded by Mr. Drinnon, to approve the minutes of the Board of Mayor and Aldermen meeting held September 10, 2012 as written.

ROLL CALL: Marcom–yes, Drinnon–yes, Palazzolo–yes, Billingsley–yes. Motion approved.

### **Citizens to be Heard**

No citizens came forward.

### **Recognition of 2012-13 Play Like a Champion Class**

City Administrator Patrick Lawton explained, as part of our employee succession plan and to further employee development, Administration developed an in-house leadership development program entitled “Play Like a Champion”. This is a nine-month employee program designed to engage employees into all aspects of our organization and expose them to learning opportunities.

Mr. Lawton introduced the class and stated that these employees, by participating in this program, were ready to take their game to the next level. The employees participating in this class are:

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Emily Baker, Cindy Bond, Patty Buckner, Joe Dabbs, Marius Erby, Ashley Finnie, Andy Griffiths, Geoff Harrison, Kim Harrison, Greg Jones, Angie Lewis, Kathy Lovett, Fannie Matthews, Craig Melton, Steven Mosby, Sherry Rhea, Carmen Richardson, James Smith, Clint Starnes, and Starry Stigger.

**Recognition of Donation – Germantown Hardware - Moved to Consent**

**Beautification Business Award**

Alderman Palazzolo came forward along with Lana Fowler from the Beautification Commission to present Trust One Bank, located at 7869 Wolf River Blvd., with the Beautification Business Award for the month of September. Ms. Jessica Jeffreys, Branch Manager, and Terrence Lewis accepted the award.

**PUBLIC HEARING - Ordinance 2012-13 – Amendment to Ordinance 2012-8 – 2012-13 Budget – Second Reading**

Mr. Lawton explained, with the passage of the referendum establishing the municipal school district, the City must move forward and address many of the initial start up costs and other logistical issues prior to the election of the Germantown Municipal School District (GMSD) board in November and the hiring of a superintendent in early January. The costs associated with this start up are significant and, due to the August 2<sup>nd</sup> referendum on the entire question, were not included in the FY13 Budget.

The referendum question authorizing an increase to the local option sales tax by ½ cent will generate an estimated 1.7 million dollars in additional sales tax revenue for our city. These dollars were also not included in the FY13 Budget.

This amendment to the FY13 Budget is to recognize the revenue generated from the ½ cent sales tax to support our GMSD to identify the funding requirement between now and June 30, 2013 for the GMSD and to create a separate GMSD fund recognizing the total revenue and expenditures requirements necessary to support this activity during the remainder of FY13.

The creation of the GMSD, with a projected opening date in August 2013, will require that the key central office leadership team be in place no later than January 31, 2013. The complete central office leadership team should be in place by March 1, 2013. This recommendation and staffing level is based on the SES Feasibility Study from January 2012. These staff positions, including the five-member school board, totals 37 with operating costs through FY13 of \$1,234,851.

Appropriate space to house the GMSD administration is not available within existing City buildings. Therefore, City administration is currently investigating leasing vacant commercial space. Approximately 10,000 sq. ft. will be necessary. Based on current marketing per-square-foot pricing, we are anticipating a six-month lease cost of \$100,000.

Other significant expenditures include office FF&E at approximately \$500,000 and an additional \$578,000 for software and hardware costs for school attendance, transportation zone planning, payroll, purchasing, the phone system, and overall student information and records system. Other significant costs include ongoing legal and consulting services through FY13 in the amount of \$150,000.

The estimated costs associated with the GMSD between now and June 30, 2013 is \$2.8 million. All significant purchases after the amendment to the budget is approved and before the GMSD board is in place will be presented to the Board for approval.

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Because of the significant start up costs for the District in FY13 and only nine months of collection from the ½ cent sales tax increase, it will be necessary to transfer, as a part of this budget amendment, \$1.1 million from General Fund reserves.

The transfer from the fund balance to meet this funding need will not impact our designated reserves, including those dollars set aside for emergencies and catastrophes, contingencies, the IRP, tax anticipation and debt service. It will however reduce our undesignated reserves from \$2.8 million to \$1.7 million, creating a deficit in the General Fund. However, due to the nature of this funding demand and the time frame we are operating within, the Administration can support and recommend this action by the Board of Mayor and Aldermen.

The Financial Advisory Commission has reviewed all aspects of the proposed budget amendment and gave its approval and recommended adoption by the Board of Mayor and Aldermen.

The budget adjustment of \$10,000 is to pay for research to develop documents to portray the history of Germantown. Researchers are reviewing thousands of documents and compiling them into specific subject notebooks and digitizing materials. The \$10,000 is being transferred from interest earned on the \$250,000 endowed to the Germantown Community Library from the Germantown Civic Club. Since the gift was received, the endowment has earned over \$20,000 in interest.

Regarding the malfunctioning ADA doors at the Athletic Club, the motor controlling the automatic mechanism no longer works and replacement parts are not available. The budget adjustment associated with this portion of the amendment will transfer \$15,000 from the Club's fund balance to building improvements to replace these doors.

Alderman Marcom stated it was a shame that money had to be spent on attorney's fees when it could be going to the children.

Mayor Goldsworthy opened the public hearing. Having no one come forward, the public hearing was closed.

Motion by Mr. Billingsley, seconded by Mr. Palazzolo, to adopt Ordinance 2012-13 – Amendment to Ordinance 2012-8 – 2012-13 Budget on second reading.

ROLL CALL: Marcom–yes, Drinnon–yes, Palazzolo-yes, Billingsley-yes. Motion approved.

Mayor Goldsworthy stated that the third reading was scheduled for the next Board meeting on October 8 but in light of the uncertainty and the timing of the judge's decision about the litigation, it is anticipated that the third reading will be pushed out to October 22 at the earliest.

### **Economic Development Strategic Plan**

Mr. Lawton stated that during the Board retreat, the Board discussed the schools, sales tax increase and the need to focus on economic development for our city. The Board directed staff to secure professional assistance in the development of a long-range economic development strategic plan. The Board approved the firm of Rose & Associates to complete this work.

The work plan for this project was divided into phases with specific tasks to be completed and milestones achieved. Throughout the development of this plan, Rose & Associates worked very closely with City staff and a group of community stakeholders.

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The Economic Development Strategic Plan is based on five guiding principles. The plan makes operational these guiding principles and creates a “how to” guide with specific recommendations and short and long-term goals with performance measures.

Alderman Palazzolo recognized the work of the Economic Development Commission and Alderman Marcom for all their work in getting the Plan in place.

In response to a question from Alderman Billingsley regarding whether there was enough existing staff to support the person who would be coordinating the Plan. Mr. Lawton stated the City would make sure after the recruitment process that the person has support in order for the Plan to succeed.

Alderman Billingsley encouraged the Mayor and the Board to address where we are from the retail availability standpoint because “it is not as bleak as it looks.”

Mayor Goldsworthy stated that staff will be developing a fast track “Shop Germantown” approach as we head into the fall season and toward the holidays. It is possible that we can integrate some of the information regarding the healthy retail we have in Germantown.

Alderman Palazzolo noted that Representative Mark White and Senator Brian Kelsey had been in town last Friday and met with staff and TDOT to be sure everything was on the right path with the Poplar widening project.

Motion by Mr. Marcom, seconded by Mr. Palazzolo, to adopt the Economic Development Strategic Plan for the City of Germantown prepared by Rose & Associates, August 2012.

ROLL CALL: Marcom–yes, Drinnon–yes, Palazzolo–yes, Billingsley–yes. Motion approved.

### **Ordinance 2012-14 – Office Technology (O-T) Zoning District – First Reading and Set Public Hearing**

Economic and Community Development Director Andy Pouncey explained that the Germantown Economic Development Commission recognizes the need for changes to the City’s ordinance to create opportunities for businesses requiring “flex” space and the need to adapt to emerging fields in biomedical technology. The Commission is seeking to accommodate this currently unsupported use within the City and better position Germantown for business recruitment and retention in this high demand field.

The Forest Hill Corridor Overlay District was designed to foster economic development throughout the creation of a unique technology corridor in a comprehensive planned environment.

The basis for the proposed ordinance is the “O-51” District onto which is added definitions for research and development center, technology, laboratory, research and laboratory and support, to better define the intent of the district and the uses that are allowed. The new district will allow biomedical testing and development labs, computer and technological equipment associated with R&D and truck loading docks as accessory uses. The limits on storage will be increased from 25% to 30% of the building’s area.

The Planning Commission recommended approval of the O-T Zoning district and the Economic Development Commission discussions have indicated strong support for this district.

Motion by Mr. Marcom, seconded by Mr. Drinnon, to adopt Ordinance 2012-14 on first reading and set October 22, 2012 for second reading and public hearing date.

ROLL CALL: Marcom–yes, Drinnon–yes, Palazzolo–yes, Billingsley–yes. Motion approved.

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**Replacement of AHU for Police – Moved to Consent**

**CONSENT**

**License Agreement for Drivers License Kiosk**

The State of Tennessee Department of Safety and Homeland Security are placing self-service kiosks throughout the state in government buildings to assist in the renewal of Tennessee Drivers Licenses.

MOTION: To authorize the Mayor to enter into a License Agreement with the State of Tennessee Department of Homeland Security to place a Drivers License Renewal Kiosk in City Hall.

**Recognition of Donation – Germantown Hardware - Moved from Reg. Agenda**

Germantown Hardware donated useable surplus items that included 99 types of items totaling 236 quantity and valued at \$1,000.00 to the Public Services Department and General Services Division.

MOTION: To recognize donations of multiple items valued at \$1,000.00 from the Germantown Hardware Company to the City of Germantown.

**Replacement of AHU for Police – Moved from Reg. Agenda**

Over the past three years, the AHU over the Police and Court areas has not provided enough airflow to adequately cool the areas which it serves during extreme temperatures of the summer months. Several attempts have been made to clean the evaporator coils and several condensate overflow problems have occurred. Documents along with other items are always susceptible to water damage.

MOTION: To authorize the Mayor to enter into a contract with CS3, Inc. in the amount of \$63,350.00 for the installation of AHU #6.

Motion by Mr. Drinnon, seconded by Mr. Marcom, to approve the consent agenda as stated.

ROLL CALL: Marcom–yes, Drinnon–yes, Palazzolo–yes, Billingsley–yes. Motion approved.

**ADJOURNMENT**

There being no further business to be brought before the Board, the meeting was adjourned.

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Sharon Goldsworthy, Mayor

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Dotty Johnson, City Clerk/Recorder