



CITY OF GERMANTOWN TENNESSEE

1930 South Germantown Road • Germantown, Tennessee 38138-2815
Phone (901) 757-7200 Fax (901) 757-7292 www.germantown-tn.gov

Financial Advisory Commission

Tuesday, April 2nd, 2013 – 6.00 p.m.

Blue Room

Economic & Community Development, 1920 S. Germantown Road

1. Call to Order
2. Establishment of quorum
3. Consideration of Minutes
4. CIP (Capital Improvements Program)
5. IRP (Infrastructure Replacement Program)
6. Any Other Business
7. Adjournment

The City of Germantown complies with the American with Disabilities Act. Should you need accommodations for this meeting, please call (901) 757-7200 at least 48 hours in advance of the meeting.



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Financial Advisory Commission Minutes

Tuesday, April 2nd, 2013, 6.00pm
Blue Room, 1920 S Germantown Rd

Members Present: Alderman John Drinnon, Eddie Cox, Glenda Brock, , Rik Ditter, Sharon Hammer, Clinton Hardin, Russell Johnson, Julie Klein, Mark Kooker, Walter Krug, Howard Lasley, Frank Markus, Christine Menzel, Frederick Miller, , Paul Mosteller, Harold Steinberg, Paul Volpe, Richard Wagoner and Leslie Wolfgang

Members Absent: Sudhir Agrawal, Vincent Correale, Thomas Harrison and Julius Moody

Staff Present: Patrick Lawton, George Brogdon, John Selberg, Bo Mills, Ralph Gabb, Andy Pouncey, Tim Gwaltney, Butch Eder, Phil Rogers, Michael Stoll, Lisa Piefer, Adrienne Royals, Jessica Brown and Sherry Rowell

Others: Alderman Rocky Janda and Alderman Mike Palazzolo

Call to Order

Chairman Hardin called the April 2, 2013 Financial Advisory Commission meeting to order at 6:05 p.m.

Roll Call & Introduction

Ralph Gabb called roll and announced a quorum was present. The next FAC meeting dates were noted to be held on 16th and 30th April.

Approval of Minutes

Chairman Hardin called for approval of the minutes from the March 19th, 2013 FAC meeting.

****MOTION****

Howard Lasley moved to approve the minutes from the March 19th, 2013 FAC meeting. Harold Steinberg seconded and the motion passed unanimously.

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FY14 Capital Improvements Program – Butch Eder

Patrick Lawton noted that many of the staff that has direct involvement with the Capital Improvements Program was at the evenings FAC meeting

Butch Eder described each of the 32 projects in the CIP plan. These projects total approximately \$13.5 million.

General Government

Vehicle Maintenance Shop FF&E	-	\$ 309,000
Animal Shelter Expansion Phase I	-	\$ 300,000
Germantown Library Roof	-	\$ 100,000
GPAC Improvements Phase II – Floor Restoration	-	\$ 183,000
Fire Station 1 Renovation	-	\$ 50,000
Fire Dept Ambulances	-	\$ 528,000

Major Roads

Wolf Rvr Blvd – Milling & Paving	-	\$1,400,000
Germantown Rd – Stout to City Limits	-	\$2,140,000
Poplar Ave Culvert Replacement Phase III	-	\$ 600,000
Germantown Rd Streetscape (Median Development)	-	\$ 88,000
Germantown Rd Realignment – Design Update	-	\$ 130,000
Wolf River Blvd Closeout Costs	-	\$2,750,000
McVay Road & Bridge Design Update	-	\$ 105,000

Intersections & Other

Intelligent Transportation System Implementation (ITS)	-	\$ 150,000
Wolf Rvr Blvd/Germantown Rd Improvements Design	-	\$ 150,000
Railroad Crossing Improvements – West St/Poplar Pike	-	\$ 30,000
School Zone Improvements	-	\$ 120,000
Bicycle Facilities Program	-	\$ 50,000
Traffic Signal Battery Backup	-	\$ 24,000

Drainage

Lateral D - Farmington Blvd Culvert Protection	-	\$1,140,000
Lateral D & E - Construction	-	\$ 920,000
Lateral G - Design	-	\$ 300,000
Lateral D Bank Stabilization	-	\$ 400,000
City Wide Master Drainage Plan	-	\$ 500,000
Misc Drainage Improvements	-	\$ 100,000

Parks

Germantown Station Lake Refurbishment	-	\$ 135,000
Farmington Park Field Renovation	-	\$ 120,000

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FY14 Capital Improvements Program – Butch Eder (Cont'd)

Germantown Athletic Club

Germantown Athletic Club Expansion Design - \$ 261,000

Utility Fund

North Johnson Sewer Lift Station Rerouting - \$ 215,000

Germantown Rd South – Sewer Extension - \$ 50,000

Germantown Rd South Water Relocation - \$ 200,000

Ralph Gabb briefly recapped the Capital Improvements Program for members and requested a motion to approve the program.

Chairman Hardin called for approval of the FY14 Capital Improvements Program.

****MOTION****

Richard Wagoner moved to approve the FY14 Capital Improvements Program. Frederick Miller seconded and the motion passed unanimously.

Bond Issuance – Michael Stoll

Michael Stoll described a proposed debt issuance in FY14 to fund some of the projects on the list of CIP projects just presented. Staff proposes that the City issue about \$3.5 million of General Obligation bonds in mid-September to fund some of the projects with longer useful lives (20-year plus) such as roadways, greenways and storm water drainage. Stoll noted that funding a portion of the CIP projects with debt is consistent with the City's Debt Management Policy especially while favorable interest rates are still expected to be at near-record low levels.

Additionally, he noted that the City has an opportunity to refund (and refinance) part of the outstanding debt bonds issued in 2005 when they become callable on August 1, 2013. Refinancing these callable bonds at current interest rates could save the City over \$400 thousand dollars (present value) during the term refinanced. Further, the out-of-pocket costs of the new debt issuance can be shared with this bond refunding.

Michael Stoll summarized that the combined debt issue was estimated at approximately \$9.0 million and would likely be issued in a competitive sale for a 20-year term.

Brief questions followed regarding public guarantee of general obligation bonds, bond pricing, and anticipated market interest rates.

Chairman Hardin called for approval of the Bond Issuance.

****MOTION****

Eddie Cox moved to approve the Bond Issuance. Paul Mosteller seconded and the motion passed with one abstention.