

BOARD OF MAYOR AND ALDERMEN

May 11, 2015

The regular meeting of the Board of Mayor and Aldermen was held on Monday, May 11, 2015 at 6:00 p.m. in the Council Chambers of the Municipal Center.

Mayor Mike Palazzolo was present and presiding.

The following aldermen were present: Dave Klevan, Forrest Owens and Rocky Janda. Alderman Gibson and Alderman Barzizza were absent. Staff present: Patrick Lawton, Debra Wiles, Chief Richard Hall, Chief John Selberg, Reynold Douglas, Daniel Page, Cameron Ross, Pam Beasley, Butch Eder, Ralph Gabb, Paul Chandler, Tony Fischer, Phil Rogers, Bo Mills, Nick Dahl, Lisa Piefer and Dotty Johnson.

Invocation

Finance Director Ralph Gabb gave the invocation.

Pledge of Allegiance

Alderman Forrest Owens led the Pledge of Allegiance.

Approval of Agenda

During the executive session, the Board discussed changes to the agenda. The Board decided to reverse numbers 13 and 14.

Motion by Mr. Janda, seconded by Mr. Owens, to approve the agenda as amended.

ROLL CALL: Barzizza-absent, Gibson-absent, Klevan-yes, Owens-yes, Janda-yes. Motion approved.

Approval of Minutes

There were no changes to the minutes as printed.

Motion by Mr. Janda, seconded by Mr. Klevan, to approve the minutes of the April 27, 2015 meeting.

ROLL CALL: Barzizza-absent, Gibson-absent, Klevan-yes, Owens-yes, Janda-yes. Motion approved.

National Public Works Proclamation

City Administrator Patrick Lawton read a proclamation recognizing the contributions that Public Works personnel make every day to our health, safety, comfort and quality of life.

Citizens to be Heard

Mr. Asan Tejwan, 1858 Poplar Wood Circle West, asked the City to please help with a safety issue for the residents in his residential area. He felt there should be more lighting in the area and this issue had been brought before the management but nothing was being done.

CONSENT

Purchase – Cement Treated Base Mix

Cement treated base mix is used primarily for street maintenance repairs, utility cuts and storm water maintenance projects. Public Works crews pick up the amount required each day as needed at the vendor's distribution plant for immediate application.

MOTION: To approve the purchase of 2,000 tons of cement treated base mix in the amount of \$50,500.00 from Standard Construction, Inc.

Purchase - Fire Hose

The Fire Department fire apparatus are required to carry a minimum of 1,200 feet of 5-inch supply fire hose to meet ISO requirements. This hose will replace fire hose that has failed or is reaching the 10-year life expectancy. A bid was also requested to replace 58 sections of 1 3/4" and purchase 6 sections of 2" of

Angus brand hose. The previous vendors no longer sell this brand of hose; therefore, no bids were received. Staff will re-bid the 64 sections of hose and recommend to the Board for approval in June.

MOTION: To purchase twenty-four (24) section of 5-inch, double jacketed rubber fire hose in the amount of \$16,200.00; and twenty (20) sections of 2 ½” synthetic jacketed rubber fire hose in the amount of \$4,000.00 from Equipment Professionals for a grand total of \$20,200.00.

Contract – PSA for Design of Cameron Brown Park & Grove Park Drainage

Cameron Brown Park has an existing natural drainage channel splitting the baseball fields north of the existing restroom facility. The existing natural drainage channel is fed by the drainage pipe headwall discharging from the Park’s lake to the south. The natural channel downstream of this headwall is experiencing bank erosion along both the east and west channel banks and has erosion rills that are encroaching towards the baseball fields on both sides of the channel.

The existing outfall structure of Grove Park discharges near the top of the existing lake levee, upstream from the confluence with the Wolf River. The levee in the vicinity of the existing outfall structure is failing and is in need of repairs.

MOTION: To authorize the Mayor to enter into a Professional Services Agreement with Pickering Firm, Inc. in the amount of \$73,000.00 for design services related to permanent bank stabilization of Cameron Brown Park Channel and Grove Park Retention Pond Levee.

HVAC Upgrade – Library and Administration

The air handler unit that serves the west wing in the City Hall building was installed during original construction in 1985. Due to the design and age of this air handler, the airflow is not consistent because replacement parts for the turning vanes are no longer available.

The existing cooling tower at the Germantown Library was installed in 1996. The cooling tower is the condenser side of the cooling system which serves two water cooled-chillers. Due to normal operational use, the cooling tower has deteriorated severely enough that repairs are no longer recommended.

MOTION: To authorize the Mayor to enter into a contract with Damon Marcus Company, Inc. in the amount of \$132,937.00 for HVAC Upgrades at City Hall and the Germantown Library.

Design Supplement No. 1 – GAC Renovation

In order for the Fire Department to properly respond to alarms, the systems need to be properly addressed to the buildings for which they serve. The original design upgraded only the areas in which renovations were to occur and not the untouched areas of the Germantown Athletic Club. The City’s Fire Marshal has requested that the entire facility (GAC, GPAC and the Great Hall) be upgraded, (except for the swimming pool area due to how the air is provided and monitored), and this has necessitated the request for a Design Supplement.

MOTION: To approve Supplement No. 1 in the amount of \$2,000.00 to the Professional Services Agreement with Fleming Architects to design improvements to the Germantown Athletic Club, increasing the contract amount from \$256,500.00 to \$258,500.00, for the design of additions to the fire alarm system.

Vehicle Purchase

The replacement vehicles to be purchased under this authorization will be used in the day-to-day operations by the Police, Animal Control and Economic and Community Development Departments. The replacement of these vehicles is based on current mileage, age, condition and maintenance costs. Normal life cycle on new vehicles is five-to-ten years.

MOTION: To approve the purchase of one (1) 2016 Ford Escape from National Fleet Auto Group at a cost of \$21,428.00, one (1) 2016 Ford F-250 at a cost of \$30,676.24, one (1) 2016 Transit Connect Van at a cost of \$21,390.08 and seven (7) 2016 Ford Utility Police Interceptors with three (3) vehicles at a cost of \$29,049.44 each, four (4) at a cost of \$29,649.44 each from Golden Circle Ford Inc. resulting in a total expenditure amount of \$279,240.40. In addition, authorization is requested to declare replaced vehicles as surplus property.

Annual Fire Protection Services – Contract Extension

All City-owned buildings that are equipped with fire alarm systems and fire sprinkler systems are due for annual inspections and testing as required. This request will be the second and final contract extension in the amount of \$13,283.00. Fire Station 4 is not included as it was still under construction when the contract was made, however the inspections and testing are currently paid separately until a new contract is administered in FY16.

MOTION: To authorize the Mayor to enter into a contract extension with Simplex Grinnell, LP to inspect and test all City-owned fire protection systems in the amount of \$13,283.00.

Donations – Approval of Community Library Donations

The following organizations and individuals have contributed donations to the Germantown Community Library: Friends of the Germantown Community Library - \$1,176.00, Shelby County Republican Woman’s Club - \$100.00, Germantown Women’s Club - \$100, Germantown Plantation - \$75.00, Germantown Public Works - \$100.00 and Anonymous - \$15.00 for a total of \$1,566.00.

MOTION: To recognize donations made to the Germantown Community Library in the amount of \$1,566.00 and to approve Budget Adjustment No. 15-82.

Motion by Mr. Klevan, seconded by Mr. Janda, to accept the Consent Agenda as printed.

ROLL CALL: Barzizza-absent, Gibson-absent, Klevan-yes, Owens-yes, Janda-yes. Motion approved.

Ordinance 2015-1 – Year-end Budget Adjustments – First Reading

Finance Director Ralph Gabb stated a number of budget adjustments are made at year-end, to the various City funds, which realign operating expenses/expenditure accounts with actual activity. These budget adjustments recognize various overruns, under-runs, project acceleration and deferrals that have already been brought to the Board’s attention and gained their approval.

Motion by Mr. Owens, seconded by Mr. Klevan, to approve Ordinance No. 2015-1 for year-end budget adjustments on first reading and set Monday, June 8, 2015 as the second reading and public hearing.

ROLL CALL: Barzizza-absent, Gibson-absent, Klevan-yes, Owens-yes, Janda-yes. Motion approved.

Ordinance 2015-2 – FY16 Budget – First Reading

City Administrator Patrick Lawton explained that this was the first reading for the FY16 Budget. The budget for all funds for FY16 totals \$123,571,772.00. The adoption of the budget authorizes the allocation of resources and establishes the direction for programs and services for our Triple A city for the coming year and during the five-year planning period.

The proposed FY16 budget is balanced and totals \$123,571,772 for all funds. The general fund totals \$47,254,089. The special revenue funds total \$49,041,194 and include the budget for the Germantown Municipal School District (GMSD). The CIP for FY16 is \$10,538,000. The balanced budget is the result of ongoing departmental cost controls and efficiency measures implemented before the start of the

recession and a fundamental shift in cost control measures. There is **no** property tax increase in the proposed FY16 budget or during the five-year planning period.

Mr. Lawton stated that this budget represents hundreds of hours of review and analysis by City departments, the Financial Advisory Commission and the Budget team. The Board has had several work sessions regarding the budget to consider these major governmental funds and key policy areas. Prior to the public hearing, on June 8, an informational brochure entitled “The Budget in Brief” will be mailed to every household in Germantown. The Budget in Brief highlights the major revenue and expenditure categories in the proposed budget and the Board of Mayor and Aldermen’s funding priorities.

Motion by Mr. Janda, seconded by Mr. Klevan, to approve on first reading Ordinance No. 2015-2 establishing the FY16 Proposed Budget, and set Monday, June 8, 2015 for second reading and public hearing.

ROLL CALL: Barzizza-absent, Gibson-absent, Klevan-yes, Owens-yes, Janda-yes. Motion approved.

Ordinance 2015-3 – Real & Personalty Property Tax – First Reading

Mr. Gabb stated the tax rate recommended for the FY16 Budget is \$1.93 per \$100.00 of assessed valuation. A tax increase is not recommended in the FY16 Budget.

Motion by Mr. Janda, seconded by Mr. Klevan, to approve Ordinance No. 2015-3 on first reading and set Monday, June 8, 2015 for the second reading and public hearing.

ROLL CALL: Barzizza-absent, Gibson-absent, Klevan-yes, Owens-yes, Janda-yes. Motion approved.

Ordinance 2015-7 – GMSD Year-end Budget Adjustments – First Reading

Mr. Gabb explained this is the first full year of operations for the GMSD and requires a number of yearly budget adjustments. These adjustments will recognize various overruns, under-runs, project accelerations and deferrals that have been approved by the GMSD Board. The GMSD is a Special Revenue Fund of the City of Germantown and will appear in the Comprehensive Annual Financial Report (CAFR) as of June 30, 2015. Therefore, the City BMA must approve any yearly budget adjustments.

Motion by Mr. Janda, seconded by Mr. Owens, to approve Ordinance No. 2015-7 for Germantown Municipal School District year-end budget adjustments on first reading and set Monday, June 8, 2015 for second reading and public hearing.

ROLL CALL: Barzizza-absent, Gibson-absent, Klevan-yes, Owens-yes, Janda-yes. Motion approved.

Resolution 15R06 – Authorizing Inter-fund Loan

Mr. Gabb stated this resolution will allow the City to create an interfund loan to the GMSD in the amount of \$1,500,000.00. The GMSD will receive funding from multiple sources of revenue; however, the revenue received for the second year will not be sufficient to meet all cash demands of the GMSD. One of the successes of GMSD has been to build an estimated year-end reserve of \$2.1 million. For FY16, the estimated “Basic Education Program”, which comes from the state, is estimated at \$23.4 million. Average Daily Attendance is estimated at \$18.7 and federal grant money at \$1.6. However, the money from the Average Daily Attendance does not flow into the GMSD until January.

Motion by Mr. Janda, seconded by Mr. Klevan, to approve Resolution 15R06 which allows the City to do an interfund loan to the Germantown Municipal School District (GMSD) in the amount of \$1,500,000.00.

ROLL CALL: Barzizza-absent, Gibson-absent, Klevan-yes, Owens-yes, Janda-yes. Motion approved.

Approval of Inter-Fund Loan Agreement

The Board previously approved Resolution 15R06 in which funds received from an inter-fund loan will be used to meet GMSD appropriations made during fiscal year 2016 in anticipation of GMSD's collection of revenues from the State of Tennessee and Shelby County. The repayment agreement will memorialize the various terms and condition under which the GMSD agrees to repay this loan to the City.

Motion by Mr. Janda, seconded by Mr. Owens, to authorize the Mayor to execute the Inter-fund Loan Agreement between the City of Germantown and the Germantown Municipal School Board in the amount of \$1,500,000.00 for the fiscal year 2016.

ROLL CALL: Barzizza-absent, Gibson-absent, Klevan-yes, Owens-yes, Janda-yes. Motion approved.

ADJOURNMENT

Announcements were made regarding the Chill and Grill to be held at the Germantown Athletic Club and the Golf Tournament benefitting the Education Foundation.

There being no further business to be brought before the Board, Mayor Palazzolo adjourned the regular meeting.

BEER BOARD

Mayor Palazzolo called the Beer Board to order. Those present were Aldermen Klevan, Owens and Janda.

Public Hearing – Beer Permit – Brookdale Solana Germantown

There has been a change in the ownership of The Solana and the City has received a request from Steven Stewart, Executive Director of Brookdale Solana Germantown, for a permit to sell beer for on-premise consumption.

Motion by Mr. Owens, seconded by Mr. Klevan, to approve the request from Steven Stewart, for a permit to sell beer for on-premise consumption at Brookdale Solana Germantown at 8199 Poplar Ave.

ROLL CALL: Barzizza-absent, Gibson-absent, Klevan-yes, Owens-yes, Janda-yes. Motion approved.

ADJOURNMENT

With no further business to come before the Beer Board, Mayor Palazzolo adjourned the Beer Board.

Mike Palazzolo, Mayor

Dotty Johnson, City Clerk/Recorder