



CITY OF GERMANTOWN

TENNESSEE

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

Board of Mayor and Aldermen Meeting

Monday, November 23, 2015 – 6:00 p.m.
Council Chambers – Municipal Building

1. Call To Order
2. Invocation
3. Pledge of Allegiance
4. Approval of Agenda
5. Approval of Minutes
6. Proclamation – Houston High School Cross Country Team
7. Beautification Business Award
8. Citizens to be Heard
9. **CONSENT**
 - a. Recognition of Donation – Parks & Recreation
 - b. PEG disbursement to GMSD
 - c. Grant – Tennessee Highway Safety Grant Contract – Police Department
 - d. Johnson Road Park Concrete Steps – Construction Contract
 - e. Purchase of Employee Gift Cards
10. Certificate of Compliance – Cork's Wine and Spirits
11. Farm Park Rental Policies
12. Property and Casualty Insurance Renewal
13. Purchase of Fire Engine
14. Adjournment

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



CITY OF GERMANTOWN

REPORT TO: THE BOARD OF MAYOR AND ALDERMEN

DATE: November 23, 2015
FROM: Patrick J. Lawton, City Administrator
SUBJECT: SET AGENDA

INTRODUCTION:

The Agenda must be set before the meeting. The Board must agree on the contents of the agenda and make changes to the agenda before the meeting begins.

PROPOSED MOTION(S), RESOLUTION(S), OTHER ACTION:

To approve the agenda (as amended).

BOARD ACTION: _____ **MOTION BY:** _____ **SECONDED BY:** _____

VOTE/TOTAL	BARZIZZA	GIBSON	KLEVAN	OWENS	JANDA	PALAZZOLO
YES	Yes	Yes	Yes	Yes	Yes	Yes
NO	No	No	No	No	No	No
ABSTAIN	Abstain	Abstain	Abstain	Abstain	Abstain	Abstain



CITY OF GERMANTOWN

REPORT TO: THE BOARD OF MAYOR AND ALDERMEN

DATE: November 23, 2015
FROM: Patrick J. Lawton, City Administrator *PJL*
SUBJECT: Approval of Minutes

INTRODUCTION:

The purpose of this agenda item is to approve the minutes of the Board of Mayor and Aldermen Meeting held November 9, 2015.

PROPOSED MOTION(S), RESOLUTION(S), OTHER ACTION:

To approve the minutes of the Board of Mayor and Aldermen Meeting held November 9, 2015.

BOARD ACTION: _____ **MOTION BY:** _____ **SECONDED BY:** _____

VOTE/TOTAL	BARZIZZA	GIBSON	KLEVAN	OWENS	JANDA	PALAZZOLO
YES	Yes	Yes	Yes	Yes	Yes	Yes
NO	No	No	No	No	No	No
ABSTAIN	Abstain	Abstain	Abstain	Abstain	Abstain	Abstain



City of Germantown **PROCLAMATION**

WHEREAS, the Houston Middle School Cross Country team has completed a stellar 2015 season which included top performances from our boys' and girls' teams across eight competitive meets, including an overall win for the girls at the West Tennessee Regional meet as well as overall wins for both the Varsity and Junior Varsity girls' teams at the State Middle School Championship in Knoxville, and

WHEREAS, the athletes began their training in the heat and humidity of the summer and have demonstrated the commitment, perseverance and teamwork necessary to stand out from among so many fine cross country programs across the region and the entire state, and

WHEREAS, it has been seven years since West Tennessee claimed the state championship, and

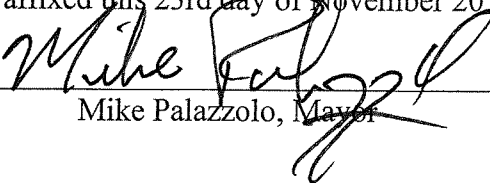
WHEREAS, the seven girls on the varsity team that brought the trophy home include Felicity Bost (7th), Madeline Eskin (8th), Brenna Riseling (8th), Carly Cantanzaro (8th), Madeline Herrald (7th), Malena Long (8th) and Lindsey Dismuke (6th), and

NOW THEREFORE, the Board of Mayor and Aldermen of the City of Germantown takes great pride in honoring the Houston Middle School Cross Country Team and hereby proclaims November 23, 2015 as

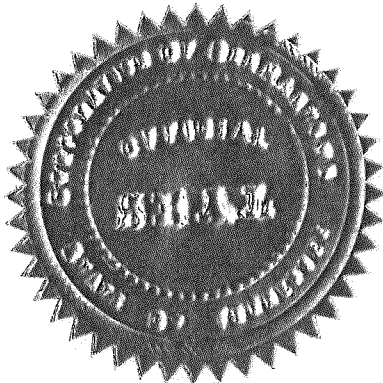
Houston Middle School Cross Country Team Day

in Germantown.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Germantown to be affixed this 23rd day of November 2015.



Mike Palazzolo, Mayor





Agenda No. 7

CITY OF GERMANTOWN

REPORT TO: THE BOARD OF MAYOR AND ALDERMEN

DATE: November 23, 2015
FROM: Patrick J. Lawton, City Administrator *PJL*
SUBJECT: BEAUTIFICATION COMMISSION BUSINESS AWARD

INTRODUCTION:

The purpose of this agenda item is to recognize Whole Foods Market Germantown as the recipient of the November Beautification Commission Business Award.

BACKGROUND:

The new Whole Foods Market Germantown opened its' doors on August 18th of this year becoming the sixth Whole Foods in the state of Tennessee. The 41,000-square-foot retail space located at 7825 Poplar Avenue makes its mission to provide their customers with healthy and fresh food while promoting and emphasizing animal welfare and environmental sustainability. This store has quickly become a destination for food lovers and healthy-eating advocates, offering a wide selection of ingredients for the home cook as well as many healthy ready-to-eat meal options.

The retail exterior site plan focuses on the use of native plants using clean design lines and "minimalist" concepts that promote sustainability in maintenance and water consumption. Plant selections include wide evergreen screens on property boundaries of Brodie juniper trees showcasing their feathery-light foliage texture and columnar form which are complemented by waves of Virginia sweet spire shrubs. Other native trees found on the property include Shumard oak, bald cypress and sweet bay magnolia. Switch grasses layered in planting beds also add interest, movement and seasonal appeal. The site is welcoming and provides outdoor gathering places for picnicking and enjoying the outdoors.

The level of landscape detail, maintenance and care of the Whole Foods Market Germantown demonstrates pride in their appearance and the facility's commitment to helping the City look beautiful. The Beautification Commission is appreciative of their efforts.

DISCUSSION:

Each month, a designated commission member is responsible for identifying potential award winners and making a recommendation to the Commission. The November commission designee is Brandi Miller. Alderman Forrest Owens, Beautification Commission liaison, will present the award to Rachelle Beauvais, store team leader at Whole Foods Market Germantown.

BEAUTIFICATION COMMISSION BUSINESS AWARD

November 23, 2015

Page 2

VISION 2020:

In keeping with the Vision 2020 goal of Community Vitality, Goal Number 15 recognizes a Beautiful Community as one whose business development and building design is consistent within Germantown's design standards and are environmentally sensitive. It recognizes neighborhoods, schools and businesses that are attractive, well maintained and aesthetically pleasing. This recognition program allows the Commission to acknowledge local businesses and other community facilities whose landscaping and property enhancement efforts have added to the beauty of the Germantown community.

Prepared by: Pam Beasley
Pam Beasley, Director of Parks and Recreation



CITY OF GERMANTOWN

REPORT TO: THE BOARD OF MAYOR AND ALDERMEN

DATE: November 23, 2015

FROM: Patrick J. Lawton, City Administrator *PJL*

SUBJECT: RECOGNITION OF DONATIONS – Parks and Recreation

INTRODUCTION:

The purpose of this agenda item is to recognize a \$15,000.00 donation made to the Parks and Recreation Department for the Bobby Lanier Farm Park from Methodist Lebonheur Healthcare System to support community events, educational programs and training totaling \$15,000.00; and \$1,000.00 from John Perry for a park bench and to approve Budget Adjustment No. 16- 28.

BACKGROUND:

The Farm Park provides the community with a unique space to experience and learn about sustainable living. The working suburban farm is home to the very successful Germantown Community Garden Association, a group producing several thousand pounds of food from spring through fall, and planning to expand their program. The summer farmer's market has created a favorite destination and gathering place for the community which also features live music, food trucks, community garden tours, cooking demonstrations and children's activities. School field trips are popular programs and provide opportunities for hands on learning. The interest and support of this project continues to grow and expand. The public/private/community partnership with the Methodist Lebonheur Healthcare System is critical to the long-term success of the Farm Park. This Germantown hospital has demonstrated their commitment to the mission of the project through their generous donation and interest in continued involvement.

DISCUSSION:

This will be the fourth year of funding from this Germantown based hospital for the Farm Park. Staff and members of the Farm Park Advisory Group have continued an ongoing relationship with key hospital executives in an effort to explore all possibilities for collaboration. Education and outreach are identified as a priority among the entire group. The cash contribution being recognized will support training, community education programs at the farm and with local schools and community special events. 2015 public events, included the "Farm Park Farmer's Market", "Grill Off in the Garden" and the "Fall Harvest Festival". These activities would not be possible without the support and generosity of the Methodist Lebonheur Healthcare System. The \$15,000.00 donation has been received.

Earlier this year, Mr. John Perry communicated to the Mayor and Board of Aldermen his appreciation for the efforts of the Germantown Police Department and Detective Division in resolving the criminal case involving the death of his family member, Heather Palumbo Jones. Staff has worked with the family to identify a location on the new section of greenway currently under construction to place a bench in honor of these dedicated public safety officers. An appropriate bench marker will placed on the gift.

Donations such as these provide needed funding support and allow the department to provide exceptional quality services.

VISION 2020:

This agenda supports Vision 2020 with city programs and services responding to changing leisure time and recreational activity trends and resident needs. It additionally supports Vision 2020 by offering exceptional community events and festivals bringing our residents together. Additional funding supports actions identified in the Vision 2020 Quality of Life Section: Goal 16 Vibrant Community: "Exceptional community events and festivals bringing our residents together". Goal 16 Vibrant Community: "Residents, businesses and organizations taking responsibility for making Germantown a better community through volunteering and contributing resources".

ATTACHMENTS:

Budget Adjustment No. 16-28

PREPARED BY: Pam Beasley

Pam Beasley, Director of Parks and Recreation

REVIEWED BY: Ralph J. Gabb

Ralph J. Gabb, Finance Director

PROPOSED MOTION(S), RESOLUTION(S), OTHER ACTION:

To recognize a \$15,000.00 donation made to the Parks and Recreation Department for the Bobby Lanier Farm Park from Methodist Lebonheur Healthcare System to support community events, educational programs and training totaling \$15,000.00; and \$1,000.00 from John Perry for a park bench and to approve Budget Adjustment No. 16- 28.

BOARD ACTION: MOTION BY: SECONDED BY:

VOTE/TOTAL	BARZIZZA	GIBSON	KLEVAN	OWENS	JANDA	PALAZZOLO
YES	Yes	Yes	Yes	Yes	Yes	Yes
NO	No	No	No	No	No	No
ABSTAIN	Abstain	Abstain	Abstain	Abstain	Abstain	Abstain



CITY OF GERMANTOWN

REPORT TO: THE BOARD OF MAYOR AND ALDERMEN

DATE: November 23, 2015

FROM: Patrick J. Lawton, City Administrator *PJL*

SUBJECT: PEG Disbursement to GMSD

INTRODUCTION:

The purpose of this agenda item is to authorize the disbursement of Public, Education and Government (PEG) in the amount of \$47,926.65 to the Germantown Municipal School District for the use of capital equipment at the Germantown Municipal Television Station.

BACKGROUND:

With the formation of the Germantown Municipal Schools, one of the earliest goals was to provide an instructional television program for students attending Houston High School. The PEG origination fee received from AT&T and Comcast is assigned to the Germantown Municipal School District for use in purchasing capital equipment.

On June 2, 2014, the Germantown Municipal School District took possession of Houston High School and converted the small engine repair shop to become the Germantown Municipal Television Station. The school district goal is to design, purchase, install, operate and maintain a full broadcast facility that airs 24/7 to over 14,500 households in the Germantown community over AT&T U-Verse channel 99 as well as Comcast channel 17. The TV station is Germantown Municipal Television, known as GMTV.

DISCUSSION:

The City of Germantown receives PEG funding from Comcast and AT&T based upon the number of subscribers on a quarterly basis. The funds are redirected to the PEG designated station by the City to the Germantown Municipal Television Station. The funds from the first quarter of fiscal year 2016 are from July 1, 2015 through September 30, 2015 and will be paid to the Germantown Municipal School District and will be used for capital equipment purchased by GMTV. The documentation is to be maintained by the Germantown Municipal School District for all capital purchases for the PEG station. These funds will ensure that quality equipment will be purchased and used by the students.

Regarding our Maintenance of Effort (MOE) obligation, MOE takes into consideration the total revenue the City provides the District for current operating funds, excluding capital outlay. Thus our MOE obligation will not be affected by this one-time capital expenditure.

VISION 2020:

The approval of this collection of funds to be transferred to the Germantown Education Foundation brings the City one step closer to achieving its goal of providing a world class education system within our community.



CITY OF GERMANTOWN

REPORT TO: THE BOARD OF MAYOR AND ALDERMEN

DATE: November 23, 2015

FROM: Patrick J. Lawton, City Administrator *PJL*

SUBJECT: Approval of Tennessee Highway Safety Grant

INTRODUCTION:

The purpose of this agenda item is to authorize the Mayor to execute a grant award in the amount of \$5,000.00 from the Tennessee Department of Transportation for participating in the Tennessee Governors Highway Safety Office Program.

BACKGROUND:

The Tennessee Governors Highway Safety Office awards grants to local and State Law Enforcement Agencies to undertake Alcohol Countermeasures Highway Safety Project(s) as defined in the Tennessee Highway safety plan.

DISCUSSION:

The Tennessee Governors Highway Safety Office Grant is to be used for overtime reimbursement to the City of Germantown after Law Enforcement activities are conducted to prevent and detect DUI violations. These activities include but are not limited to DUI saturations during peak drinking and driving periods. This contract will run from October 1, 2015 to September 2016 or until all funds are exhausted. When funds are received a budget adjustment will be made.

VISION 2020:

This Grant supports the Vision 2020 Public Safety Plan Goal 1 – Safest City in Southeast and the objectives of people are safe and feel secure and a low crime rate: part 1 (persons) and part 2 (property) and City Services and Finances Plan Goal 26 – Civic Involvement and the objective of citizens awareness of City goals, services and programs.

ATTACHMENTS

Grant Contract

Prepared by: Michael C. Berkes
Michael C. Berkes, Captain

Reviewed by: Richard L. Hall *RJH*
Richard L. Hall, Chief of Police

Reviewed by: Ralph J. Gabb
Ralph J. Gabb, Finance Director



CITY OF GERMANTOWN

REPORT TO: THE BOARD OF MAYOR AND ALDERMEN

DATE: November 23, 2015

FROM: Patrick J. Lawton, City Administrator *PJL*

SUBJECT: Rejection of Bids – Johnson Road Concrete Steps Construction Contract

INTRODUCTION:

The purpose of this agenda item is to reject the bid received for the Johnson Road Concrete Steps Construction Contract.

BACKGROUND:

Public Works allocated funding in the FY16 Infrastructure Replacement Project Budget for the construction of concrete steps and safety rail on the west side of the upper lake at Johnson Road Park. These steps would provide access and a safe path for the disc golf course. Repair of existing erosion on the southwest bank would also be included in the scope of the contract.

DISCUSSION:

One bid was received on November 9, 2015, from Wagner General Contractors, Inc. The company representative for Wagner General Contractors, Inc. was notified of the City's intent to reject the bid due. The bid exceeded the planned expenditure in the FY 16 IRP.

VISION 2020:

This project supports the Vision 2020 Strategy #3 for identifying infrastructure projects, need for upgrade or replacement, and determining funding sources for a positive impact to the City quality of life and safety.

BUDGET AND STAFFING IMPACT:

SOURCE OF FUNDING:

<u>Fund</u>	<u>Line Item No.</u>	<u>Dept.</u>	<u>Line Item Description</u>	<u>Budget Balance</u>	<u>Recommended Expenditure</u>
IRP	010-3010-430.94-90 IR1635	Grounds	Johnson Road Concrete Steps	\$37,000.00	\$0

ATTACHMENTS:

Bid Analysis

Prepared by: Bruce Tillman
Bruce Tillman, Assistant Director of Public Works

Reviewed by: Bo Mills, PWLF
Bo Mills, Director of Public Works

Reviewed by: Lisa A. Piefer
Lisa A. Piefer, Procurement Director

PROPOSED MOTION(S), RESOLUTION(S), OTHER ACTION:

To reject the bid received from Wagner General Contractors in the amount of \$68,100 for the Johnson Road Concrete Steps Construction Contract.

BOARD ACTION: _____ **MOTION BY:** _____ **SECONDED BY:** _____

<u>VOTE/TOTAL</u>	<u>BARZIZZA</u>	<u>GIBSON</u>	<u>KLEVAN</u>	<u>OWENS</u>	<u>JANDA</u>	<u>PALAZZOLO</u>
YES	Yes	Yes	Yes	Yes	Yes	Yes
NO	No	No	No	No	No	No
ABSTAIN	Abstain	Abstain	Abstain	Abstain	Abstain	Abstain



CITY OF GERMANTOWN

REPORT TO: THE BOARD OF MAYOR AND ALDERMEN

DATE: November 23, 2015

FROM: Patrick J. Lawton, City Administrator *psv*

SUBJECT: EMPLOYEE GIFT CARDS

INTRODUCTION:

The purpose of this agenda item is to request the Board's authorization to purchase three-hundred eighty-nine (389) \$50 gift cards from Kroger in the amount of \$18,672.00.

BACKGROUND:

The City reviews budgets each year to see if monies are available to provide for employees during the holidays. In 2014, the Board of Mayor and Alderman approved the purchase of three-hundred seventy-seven (377) \$50 gift cards in the amount of \$18,284.50 from Kroger. The City received a three percent discount for the purchases.

DISCUSSION:

Procurement staff secured pricing for gift cards for full-time employees to purchase Food and/or Turkeys for the holidays. In securing the gift cards, it was determined that Kroger would be selected because of the following:

- Kroger is the only local traditional grocery store in metropolitan area.
- Kroger is common to all of the City's full-time employees who live in various locations throughout the Mid-South.

In reviewing the City's Procurement Ordinances, Procurement Staff recommends this purchase as a sole source. As a result, a sole source letter with pricing for the gift cards was requested and received from the Delta Division of Kroger, which includes the Germantown store. This year, the City received a larger discount of four (4) percent which equates to \$778 or \$2.00 per gift card. The sole source letter with pricing and department breakdowns are attached.

BUDGET AND STAFFING IMPACT:

Source of Funding:

Fund	Line Item No.	Dept.	Line Item Description	Budget Balance	Recommended Expenditure
General Fund	010.1410.414.2320	HR	Public Relations	\$36,675.00	\$18,672.00

The monies for purchasing the cards are included in the Human Resources Budget. The City's Finance staff will distribute the actual costs to each departments wage line item. Please see attached cost breakdown.

VISION 2020:

This purchase supports the Vision 2020 City Services and Finances goal of providing service excellence to citizens by taking care of our employees.

ATTACHMENTS:

Sole source letter with pricing
Department breakdown

PREPARED BY: Lisa A. Piefer

Lisa A. Piefer, Procurement Director

REVIEWED BY: Steve Wilensky

Steve Wilensky, HR Director

REVIEWED BY: Ralph Gabb

Ralph Gabb, Finance Director

PROPOSED MOTION(S), RESOLUTION(S), OTHER ACTION:

To approve the purchase of three-hundred eighty-nine (389) \$50 gift cards from Kroger in the amount of \$18,672.00.

BOARD ACTION: _____ **MOTION BY:** _____ **SECONDED BY:** _____

VOTE/TOTAL	BARZIZZA	GIBSON	KLEVAN	OWENS	JANDA	PALAZZOLO
YES	Yes	Yes	Yes	Yes	Yes	Yes
NO	No	No	No	No	No	No
ABSTAIN	Abstain	Abstain	Abstain	Abstain	Abstain	Abstain



CITY OF GERMANTOWN

REPORT TO: THE BOARD OF MAYOR AND ALDERMEN

DATE: November 23, 2015

FROM: Patrick J. Lawton, City Administrator *PSL*

SUBJECT: FARM PARK RENTAL POLICIES

INTRODUCTION:

The purpose of this agenda item is to approve the recommended rental policies for the Farm Park.

BACKGROUND:

The successful business model for the Farm Park relies on incorporating community and private rentals services to create a sustainable revenue source for the park. Staff in the Parks and Recreation Department has worked with members of Parks and Recreation Commission and the Farm Park Advisory Group to develop the recommended policies and guidelines for rentals. The rental operation will be market driven and compares with like facilities in the country. Extensive research was performed on farm and barn rental venues to insure that consideration was given to all possibilities. Staff believes that the recommended policies and rental guidelines are fair, consistent and align with the Farm Park mission and values.

DISCUSSION

The Farm Park rental policies are set up with the goal of securing a professional, dynamic event planner through a contractual agreement that would fully facilitate, manage and market the unique rental business at the Farm Park. The Mayor and Board have already authorized staff to accept proposals for such and will come back to the Board with a recommendation. The scope of services that the event planner performs will be provide comprehensive management of rental operations and includes being responsible for, but not limited to: all rental client communications; booking services; facilitation of all on-site set-up, take-down and day-of event staffing; coordination of all other vendors such as carters, decorators and rental equipment; enforcement of polices; and marketing the rental venues through a variety of methods.

The recommended Farm Park rental polices and administrative guidelines policy document is attached. The following points serve to highlight the major elements in policy and summarize the process:

1. Rental time slots have been designated to coordinate around soccer as the Farm Park shares a parking lot with that program. Planned Farm Park educational programs and garden activities were also considered.
2. The maximum number of guests allowed at a private function is 175, as available parking dictates such at this time.
3. Weekday rentals for meetings and outdoor picnics for small groups (up to 75) are available at a per hour rate.



CITY OF GERMANTOWN

REPORT TO: THE BOARD OF MAYOR AND ALDERMEN

DATE: November 23, 2015

FROM: Patrick J. Lawton, City Administrator *PJL*

SUBJECT: PROPERTY & CASUALTY INSURANCE RENEWAL

INTRODUCTION:

The purpose of this agenda item is to approve the City of Germantown insurance coverage renewals with the TML Risk Management Pool.

BACKGROUND:

The City manages various risks of doing business by obtaining insurance coverage for excess property losses, workers compensation claims and general tort liability claims. For more than two decades, this coverage has been provided primarily by the TML Risk Management Pool, a professionally operated, non-profit, captive arrangement risk sharing pool for Tennessee municipalities. This cooperative risk sharing arrangement was made possible due to the Governmental Tort Liability Act of 1976 which limits the liability of Tennessee Municipalities. The TML Pool provides the City with all necessary claim services, loss control programs and ready access to risk management products. All excess premiums are returned to TML Members in the form of Member's Dividends.

DISCUSSION:

Staff continues to refine and improve the renewals process to make it more efficient and meet the insurance needs of the City. After completing a thorough review and update process of all of the data associated with the City's property, worker's compensation and liability information, Staff submitted the 2015/2016 Policy Year Renewal Application to TML Risk Management Pool.

In completing this years' renewal, Staff worked with TML and Insight Risk Management on the timing and processing of the renewal each year which starts in August and is usually completed by the end of October. In the past three years, it has been a challenge to get all of the updated data needed. In September/October, the City is finishing up the Audit, equipment/asset purchases are partially completed and FTE's for the new FY may just be getting hired. All of these items are integral parts of the renewals process and have to be updated to accurately reflect the assets, property and people to be covered each year. Simply stated, there's just not enough time to ensure that everything is included. As a result, Staff was able adjust the renewal date by one month from November 1st to December 1st. This allows Staff to gather completed data in mid October and recommend the renewal in late November to the BMA. Because the budget process begins in January of each year, this allows for a more accurate reflection of the City's assets and also allows for more targeted projections for the planning of the Insurance Budget. The City was able to work with TML to extend our current policy at the same rates at a net cost of \$20,630.00 for the month.

Staff worked with Insight Risk Management and forecasted the proposed premiums in the FY16 Budget process. As a result, the City was able stay under the total Budgeted premium amount for FY16. The details of the City's 2015/2016 insurance coverage and annual premiums are described in the immediate following paragraphs. (Summary comparisons with prior years are attached.)

Property Coverage applies to losses related to the City's real and personal property such as buildings, furniture and fixtures, mobile equipment, catastrophic auto damage on vehicles under \$40,000 in value and computers. Additionally, this coverage extends to the City's infrastructure such sewer lift stations, water wells and pumps, sports field lighting, traffic control signals and earthquakes. The insured value of the covered property is valued at \$155.5 million, which reflects no increase in total property values on primary property schedule for buildings values and electronic equipment scheduled values. The thirteen percent (13) in premium reduction is a result of a planned change in the Property Deductible from \$25,000 to \$50,000 at the recommendation of our insurance broker. The City's history has indicated that there only three incidents that were affected over fifteen plus years and it would result in premium savings each year. The City's experience rating on property has remained unchanged. For the current year, the TML Pool has issued a dividend of **\$9,819** to offset the gross workers compensation premium resulting in total premium amount of **\$217,675**.

Workers Compensation Coverage applies to claims filed by employees for workplace injuries as required by the State of Tennessee Workers Compensation Law and includes statutory coverage for the City's volunteer firefighters and reserve police officers. Volunteers have statutory medical coverage and AD&D equal to \$600 per week. The coverage includes payment for employee medical expenses, Temporary Total Disability Benefits, and Permanent Partial Disability Settlements. The current premium is based on \$21.529 million in total covered payrolls (a 1% payroll over last year's payroll of about \$21.4 million) which includes general payroll increases and added staff positions in the higher rate areas. The City's Experience Modification Factor remained constant as did the Deductible Credit. As a result, the annual premium increased to \$374,160.00 (up 6.8%). For the current year, the TML Pool has issued a dividend of **\$22,438** to offset the gross workers compensation premium resulting in total premium amount of **\$351,722.00**.

Liability Coverage: This insurance includes a wide range of coverage such as general liability, law enforcement liability, errors & omissions liability, auto liability, employee practices liability, cyber liability and physical damage to motor vehicles valued over \$40 thousand. They are broken down as follows:

- **General Liability** - The current TML Pool base rates for General liability coverage remain unchanged this year. There was an increase in the Facility Services and Fire division payroll. The experience credit on the General Liability remained unchanged.
- **Auto Physical Damage** - There was no base rate increase in the Auto Physical Damage; but there was a small deterioration in the experience due to increased losses.
- **Auto Liability** - There was no base rate increase in Auto Liability but there was a small deterioration in the experience due to increased losses.
- **Law Enforcement Liability** - There was no base rate increase in the Law Enforcement Liability. Experience rating on Law Enforcement Liability improved due to the closing of some large losses. There was an increase of Certified and Auxiliary Officers which affected the premium.

The net effect of the various changes has resulted in an overall liability premium of \$344,754.00 (a 5.1% increase from last year). This premium amount has been offset with a lower credited dividend of **\$5,064.00** resulting in a total premium cost of **\$339,690.00**.

All insurance policies represented herein have been placed by Insight Risk Management, a local business insurance consulting and brokerage service that represents the TML Risk Management Pool. The agency provides significant ongoing advice, expertise and organizational backup to the City's risk management function and processes, as well as ready access to insurance industry resources and information databases. As the City continues to refine the insurance processes, Staff from HR and Procurement is also utilizing Insight Risk Management because they are better equipped to handle the TML Claims notification and recovery/collection of fees for damage to City property. This will free up Staff to continue the safety training and education of our employees. For the placement of these insurance policies and these valuable services, Insight Risk Management, Inc. will receive agent commissions of \$50,065.00. Fees include the annual fee with no increase for property fees (\$5,500) which the City pays directly to Insight Risk Management and slight increases in liability and workers comp due to the overall increases for TML.

BUDGET AND STAFFING IMPACT:

Source of Funding:

<u>Fund</u>	<u>Line Item No.</u>	<u>Dept.</u>	<u>Line Item Description</u>	<u>Budget Balance</u>	<u>Recommended Expenditure</u>
Internal Svc	051-5610-483.51-10	Allocations	Property Insurance	\$245,197.00	\$ 217,675.00
Internal Svc	051-5610-483.51-20	Allocations	Vehicle Insurance	70,818.00	70,818.00
Internal Svc	051-5610-483.51-30	Allocations	Liability Insurance	297,630.00	268,872.00
All	** - *** - ** .14-60	All Operating	Workers Comp.	361,432.00	351,722.00*
				Total	\$ 909,087.00

*YR End Budget is made to correct the worker's comp items to re-allocate the adjusted numbers.

ATTACHMENTS: 25

Property and Casualty Insurance Renewal Rates
 City of Germantown Property and Casualty Insurance Booklet including coverage details, policy limits and covered assets

VISION 2020:

Obtaining the variety of insurance coverage supports Goal 22 of the Vision 2020: Financial Sustainability. These policies are intended to mitigate the City's losses that could be incurred as a result of various casualties and calamities. Limiting or reducing the risk of loss by obtaining adequate insurance products provides reasonable assurance that the City's financial resources are protected in a responsible and prudent manner.

ATTACHMENTS:

Comparison of the proposed 2015/2016 insurance renewal premiums (and related dividends) with the 2014, 2013, 2012 and 2011 premiums paid.

PREPARED BY: Lisa A. Piefer

Lisa A. Piefer, Procurement Director

REVIEWED BY: Patrick Lawton

City Administrator

PROPOSED MOTION(S), RESOLUTION(S), OTHER ACTION:

To approve the renewal of insurance coverage and payment of premiums (less the related dividends) per the attached renewal information to TML Risk Management Pool for property, workers compensation and general liability policies.

BOARD ACTION: MOTION BY: SECONDED BY: _____

VOTE/TOTAL	BARZIZZA	GIBSON	KLEVAN	OWENS	JANDA	PALAZZOLO
YES	Yes	Yes	Yes	Yes	Yes	Yes
NO	No	No	No	No	No	No
ABSTAIN	Abstain	Abstain	Abstain	Abstain	Abstain	Abstain



CITY OF GERMANTOWN

REPORT TO: THE BOARD OF MAYOR AND ALDERMEN

DATE: November 23, 2015
FROM: Patrick J. Lawton, City Administrator *PJL*
SUBJECT: PURCHASE OF FIRE ENGINE

INTRODUCTION:

The purpose of this agenda item is to request the Board's authorization to purchase a custom fire engine in the amount of \$747,853.00 from Ferrara Fire Apparatus. Included within the purchase price is additional equipment needed for the operation of the fire engine at emergency incidents.

BACKGROUND:

This fire engine will be used as a front-line apparatus and will allow fire engine F-148 (Engine 92) to be utilized as a reserve apparatus. The normal utilization of a fire engine is fifteen (15) years of front-line service and five (5) years as a reserve apparatus. This replacement cycle allows for the fire apparatus fleet to be replaced every 20 years. The new fire engine will meet current safety standards, including a climate controlled cab, as well as improved storage, pump, and water capacity. Built into the fire engine will be a compressed air foam system (CAFS) that uses a mixture of firefighting foam, compressed air, and water to greatly improve fire suppression capabilities. Other built-in features include a mobile data terminal, internet Wi-Fi system, LED lighting, automatic snow chains, and reduced motor emissions meeting current federal government standards. Upon delivery, the equipment not installed by the manufacturer at the factory will be mounted before the apparatus is placed into service.

DISCUSSION:

The City is utilizing the Houston-Galveston Area Council (HGAC) cooperative purchasing program to acquire the fire engine and equipment. National cooperative contracts provide considerable time and resource savings for participating member agencies, streamline the purchasing processes, and maximize efficiencies. Procurement has reviewed and verified that the terms, conditions, and bidding methods are acceptable to the City.

VISION 2020:

This purchase meets a Vision 2020 goal of providing effective emergency response with the right equipment and resources available to handle the emergency response and supports Financial Sustainability by investment in maintaining and upgrading the City's facilities and infrastructure.

