

## **BOARD OF MAYOR AND ALDERMEN**

January 11, 2016

The regular meeting of the Board of Mayor and Aldermen was held on Monday, January 11, 2016 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: John Barzizza, Mary Anne Gibson, Dave Klevan, Forrest Owens and Rocky Janda. Staff present: Patrick Lawton, Debra Wiles, Chief Richard Hall, Fire Chief John Selberg, Pam Beasley, Steve Wilensky, Paul Chandler, Reynold Douglas, Daniel Page, Cameron Ross, Tim Gwaltney, Phil Rogers, Lisa Piefer and Dotty Johnson.

### **Call to Order**

Mayor Palazzolo called the meeting to order.

### **Invocation**

Public Works Director Bo Mills gave the invocation.

### **Pledge of Allegiance**

Alderman Rocky Janda led the Pledge of Allegiance.

### **Approval of Agenda**

During the executive session the Board unanimously agreed to move #9 – Resolution 16R01 and Resolution 16R02 and #10 – Resolution 16R03 and Resolution 16R04, and #13 – Emergency Water Contract – Dogwood Road Water Main transfer to the Consent Agenda. Numbers 11 and 12 were flipped and there was an Add-On – On-call Contract for collection of yard waste.

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

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

### **Approval of Minutes**

There were no corrections to the minutes.

Motion by Mr. Janda, seconded by Ms. Gibson, to accept the minutes of the Board of Mayor and Aldermen meeting held December 12, 2015.

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

Motion by Mr. Janda, seconded by Mr. Barzizza, to accept the minutes of the Special Called Board of Mayor and Aldermen meeting held December 16, 2015.

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

### **Proclamations**

Mayor Palazzolo read two proclamations honoring the Germantown Symphony Orchestra and the Germantown Chorus.

The Germantown Symphony Chorus is celebrating their thirtieth anniversary. The Chorus is a group of singers from a variety of backgrounds who wish to foster their love of singing and share that joy with the greater Memphis area through professional-quality performances and community outreach. Mr. Tommy Gaines, Chorus Conductor, accepted the proclamation.

The Germantown Symphony Orchestra, an all-volunteer community orchestra made up of musicians of all ages and from all over the Mid-South, will celebrate forty-years of music in the Germantown community. The Mayor proclaimed April 23, 2016 as Germantown Symphony Orchestra Day. Mr.

Frank Anthony, Current President, Dr. Ron Vernon, Conductor, and Mr. John Coons, Photographer were present to accept the proclamation.

**Citizens to be Heard**

Mr. Robert Fogelman, 744 S. White Station Rd., Memphis came forward and stated that the Sewer Analysis and Traffic Impact Analysis for the Western Gateway should be done before any development moves forward. He stated he felt the TraVure plan had flaws that would cause traffic congestion for all properties south of Poplar and east of Kirby Parkway. He also felt the sewage holding tank that had been proposed to service the TraVure development had not been adequately studied to date.

**CONSENT**

**Purchase of Fitness Equipment – Fire Department**

The Fire Department received a grant for Fire Fighter Wellness and Fitness through the FEMA Assistance to Fire Fighters Grant Program. The grant is for \$165,870.00, of which \$78,720.00 was earmarked for fitness equipment, including weight lifting equipment and exercise machines.

MOTION: To authorize the purchase of Fitness Equipment from Life Fitness in the total amount of \$49,069.03.

**Firefighter Physicals**

This is part of the \$165,870.00 grant the Fire Department received, of which \$67,600.00 was earmarked for employee physicals for all fire fighters, including full-time, part-time and Reserves.

MOTION: To authorize the City to enter a contract with LifeSigns to provide employee physical exams for fire fighters up to a total amount of \$67,600.00.

**Forklift Purchase**

The propane powered forklift will be used in the day-to-day operations mainly by Fleet Services. This additional forklift will also serve as a backup and can be used by Procurement at the City warehouse when their forklift is out of service.

MOTION: To approve the purchase of liquid propane (L) powered 2007 Clark model CMP25 forklift to be utilized by the Fleet Services Division from Delta Materials Handling Inc. at a cost of \$13,500.00

**Resolution 16R01 and Resolution 16R02 – Amendment 1 and 2 to the Defined Benefit Plan**

The first amendment addresses interest credits to accumulation accounts except as provided in Section 4.1 and Section 4.5.

The second amendment addresses Qualified Domestic Relations Orders. The Tennessee Code Annotated Section 26-2-105, the Pension Plan should be amended and address Section 17.2 of the City Plan. The effective date of the change will be July 1, 2015.

MOTION: To adopt Resolution 16R01 and Resolution 16R02 – Amendment Numbers 1 and 3 to the City of Germantown Defined Benefit Plan.

**Resolution 16R03 and Resolution 16R04 – Amendment 7 and 8 to the Amended and Restated Employees' Retirement Plan**

Amendment 7 addresses the Qualified Domestic Relations Orders. The Tennessee Code Annotated Section 26-2-105, the Pension Plan should be amended and address Section 14.2 of the City Plan. The effective date of the change will be July 1, 2015.

Amendment 8 addresses Actuarial Equivalent. This change is prescribed by the amendment to the Tennessee Code Annotated Section 26-2-105, the Pension should be amended as set forth. Section 2.3 shall be deleted in its entirety and is changed to agree with the Tennessee Code Annotated.

MOTION: To adopt Resolution 16R03 and Resolution 16R04 – Amendment number 7 and 8 to the City of Germantown, Tennessee Amended and Restated Employees' Retirement Plan.

**Emergency Water Contract – Dogwood Road Water Main Transfer**

In late November, the Germantown Fire Department noted that the hydrants on Dogwood Road from Pete Mitchell to Germantown Road had extremely low flow. Public Works immediately conducted tests and found the principal cause of the low pressure seems to be the removal of the loop to Poplar Ave. with the closing of Pete Mitchell Road. To resolve the low pressure problem, the City Administrator gave emergency authority for the Public Works Department to seek a contractor to assist with the needed transfer of water services and hydrants to the twelve inch main that was installed in the early 1970's adjacent to this main to distribute water from the Southern Ave. Water Treatment Plant.

MOTION: To request authorization to pay B & C Construction Co., Inc. in an amount not to exceed \$24,900.00 for an emergency transfer of all water services and two fire hydrants from a six inch main to a twelve inch main along Dogwood Road from Pete Mitchell to Germantown Road.

Motion by Mr. Owens, seconded by Mr. Klevan, to accept the Consent Agenda as read.

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

**REGULAR AGENDA**

**Public Hearing – Ordinance 2015-9 – Amendment to 2016 Budget Ordinance – Second Reading**

City Administrator Patrick Lawton stated the City and the Germantown Municipal School District (GMSD) had been in discussions over certain capital and maintenance of operations issues in regards to the five schools within the District. The Germantown Board of Education (GBoE) adopted a five-year capital plan which addresses the District's maintenance and operation issues and new capital growth to include the expansion of existing campuses and the construction of a new elementary school starting in FY18. The number one priority in regards to capital is the 7<sup>th</sup> and 8<sup>th</sup> grade addition at Riverdale Elementary School and the elimination of the 20 plus portables behind the school.

To help facilitate its capital plan, the City began to prepare itself with a review and eventual expansion of its debt management policy to ensure the City could respond in a fiscally responsible manner.

The addition at Riverdale Elementary School would consume all the dollars available from the City and the District approximately 12 million dollars. The FAC recommended amending the City's approved FY16 budget to include this expense.

Mr. Lawton stated the funding for this project would come from a pending bond sale in early 2016. The District will reimburse the City four million dollars over the life of the bonds, and the District will cover the costs from reserves of anything exceeding eleven million dollars.

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

Motion by Mr. Janda, seconded by Ms. Gibson, to approve Ordinance 2015-9 and Budget Adjustment No. 16-14 to amend the FY16 Annual Budget on second reading.

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

**Resolution 16R05 and 16R06 – Initial Authorizing Bond Resolutions**

Mr. Lawton explained that the City's adopted budget and CIP identified the issuance in FY16 of general obligation bonds for certain drainage and road improvement projects within the city. What was not

included and is the subject of the previous public hearing by the Board was the addition and renovation of Riverdale Elementary School. These two resolutions address both of these capital improvement areas. The initial resolutions are a requirement of state law and the first step in the issuance of public debt by the City. The initial resolution states: The maximum amount of the general obligation bonds; the projects that will be supported by the bonds; the maximum rate of return; a statement on how the bonds will be payable; and, a notice for each resolution regarding the protest period.

City staff has worked very closely with the Financial Advisory Commission regarding the advancement of this public debt for these projects. Staff had also worked closely with the bond council in the development of these resolutions and our financial advisors (PFM) who have provided expert guidance throughout the entire process.

Mr. Lawton stated staff had worked very closely with the Financial Advisory Commission the City's Bond Council, and the City's financial managers, Public Financial Management, Inc. He then introduced Ms. Lauren Lowe, PFM Director.

Ms. Lowe stated they would walk through the process from start to finish to accessing the capital market. There will be another resolution to come before the Board related to this bond offering that is scheduled next month. A schedule is planned at this point and will move forward.

RESOLUTION NO. 16R05

INITIAL RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$4,000,000 GENERAL OBLIGATION BONDS OF THE CITY OF GERMANTOWN, TENNESSEE, TO PROVIDE FUNDING FOR CERTAIN PUBLIC WORKS PROJECTS AND TO FUND THE INCIDENTAL AND NECESSARY EXPENSES RELATED THERETO

WHEREAS, it is necessary and in the public interest of the City of Germantown, Tennessee (the "Municipality"), to issue its General Obligation Bonds (the "Bonds"), for the purpose of financing certain public works projects, as hereinafter specified.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF GERMANTOV/N, TENNESSEE:

SECTION 1. That for the purpose of financing a portion of the costs of certain public works projects, including the acquisition, construction, renovation, and improvement of roadways and greenway connectors, and storm water drainage systems of the Municipality, including but not necessarily limited to, planning, design, and architectural expenses, the acquisition of all other property real and personal appurtenant thereto and connected with such work (collectively, the "Project"), to pay legal, fiscal, administrative, and engineering costs incident thereto, to reimburse the Municipality for a portion of the costs of the Project, to pay capitalized interest, and to pay costs incident to the issuance and sale of the Bonds, the issuance of the Bonds of the Municipality in the aggregate principal amount of not to exceed Four Million Dollars (\$4,000,000) is hereby authorized. The Bonds shall be issued at a date, at a rate or rates of interest not to exceed five percent (5%) per annum, and upon terms and conditions to be later determined.

SECTION 2. That the principal of, premium, if any, and interest on, the Bonds, shall be payable from funds of the Municipality legally available therefor and to the extent necessary from ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality, without limitation as to time, rate, and amount and for the punctual payment of said principal of, premium, if any, and interest on, the Bonds, the full faith and credit of the Municipality will be irrevocably pledged.

SECTION 3. That the Bonds described and authorized by this Resolution shall be issued pursuant to Title 9, Chapter 21, Tennessee Code Annotated, as amended (the "Act").

SECTION 4. That after the adoption of this Resolution, the City Clerk/Recorder is directed to cause this Resolution, with the notice prescribed by the Act, to be published in full once in a newspaper published and having general circulation in the Municipality.

SECTION 5. That this Resolution shall take effect from and after its adoption, the welfare of the Municipality requiring it.

Adopted and approved this 11th day of January, 2016.

Motion by Ms. Gibson, seconded by Mr. Janda, to approve Resolution 16R05 authorizing the issuance of up to \$4,000,000.00, General Obligation Bonds Series 2016, of the City of Germantown, Tennessee pursuant to state law under Title 9, Chapter 21, Tennessee Code Annotated, for the purpose of financing cost of public works projects related to the City's major roads, drainage and parks and to direct staff to publish the prescribed notice about this resolution in a newspaper having general circulation in the City.

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

RESOLUTION NO. 16R06

INITIAL RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$12,000,000 GENERAL OBLIGATION BONDS OF THE CITY OF GERMANTOWN, TENNESSEE, TO PROVIDE FUNDING FOR CERTAIN PUBLIC WORKS PROJECTS AND TO FUND THE INCIDENTAL AND NECESSARY EXPENSES RELATED THERETO

WHEREAS, it is necessary and in the public interest of the City of Germantown, Tennessee (the "Municipality"), to issue its General Obligation Bonds (the "Bonds"), for the purpose of financing certain public works projects, as hereinafter specified.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF GERMANTOWN, TENNESSEE:

SECTION 1. That for the purpose of financing a portion of the costs of certain public works projects, including the acquisition, construction, renovation, and improvement of public school facilities of the Municipality, including but not necessarily limited to, planning, design, and architectural expenses, the acquisition of all other property real and personal appurtenant thereto and connected with such work (collectively, the "Project"), to pay legal, fiscal, administrative, and engineering costs incident thereto, to reimburse the Municipality for a portion of the costs of the Project, to pay capitalized interest, and to pay costs incident to the issuance and sale of the Bonds, the issuance of the Bonds of the Municipality in the aggregate principal amount of not to exceed Twelve Million Dollars (\$12,000,000) is hereby authorized. The Bonds shall be issued at a date, at a rate or rates of interest not to exceed five percent (5%) per annum, and upon terms and conditions to be later determined.

SECTION 2. That the principal of, premium, if any, and interest on, the Bonds, shall be payable from funds of the Municipality legally available therefor and to the extent necessary from ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality, without limitation as to time, rate, and amount and for the punctual payment of said principal of, premium, if any, and interest on, the Bonds, the full faith and credit of the Municipality will be irrevocably pledged.

SECTION 3. That the Bonds described and authorized by this Resolution shall be issued pursuant to Title 9, Chapter 21, Tennessee Code Annotated, as amended (the "Act").

SECTION 4. That after the adoption of this Resolution, the City Clerk/Recorder is directed to cause this Resolution, with the notice prescribed by the Act, to be published in full once in a newspaper published and having general circulation in the Municipality.

SECTION 5. That this Resolution shall take effect from and after its adoption, the welfare of the Municipality requiring it.

Adopted and approved this 11th day of January, 2016.

Motion by Ms. Gibson, seconded by Mr. Barzizza, to approve Resolution 16R06 authorizing the issuance of up to \$12,000,000.00, General Obligation Bonds Series 2016, of the City of Germantown, Tennessee pursuant to state law under Title 9, Chapter 21, Tennessee Code Annotated, for the purpose of financing cost of school facilities and equipment and to direct staff to publish the prescribed notice about this resolution in a newspaper having general circulation in the City.

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

**Ordinance 2016-01 – Amendment to Chapter 21 – Utilities Ordinance – First Reading**

Mr. Lawton stated this ordinance would allow residents who had had paid their utility bill on time for the preceding twelve consecutive months, the ability to have the late fee or lost discount removed.

Motion by Mr. Janda, seconded by Mr. Klevan, to approve Ordinance No. 2016-1 on First Reading and set Monday, February 11, 2016 for the second reading and public hearing.

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

**Professional Services Agreement – Western Gateway Traffic Impact Analysis**

City Engineer Tim Gwaltney explained that purpose of the study is to investigate the traffic impacts of the proposed development/redevelopment scenarios, locate and analyze deficiencies on the roadway networks and provide recommendations to relieve predicted traffic congestion and any identified operational issue.

Enabling more dense development will increase traffic volumes and congestion in the area. Anticipating this issue, the City budgeted \$70,000.00 in its FY16 CIP to perform a Traffic Impact Analysis of the Western Gateway.

In response to a question from Alderman Owens, Mr. Gwaltney stated the permitted outline plan does include a signal at TraVure Drive. The time line for installation and eventual activation of that signal is spelled out in the plan. There has been no other proposed development and no backup information that would provide staff with any recommendations to consider installation of a signal at any other location.

Alderman Klevan stated to clarify, there is a light that goes with this outline predicated on traffic performance, and it has to reach certain levels before the light is warranted. If another development were to be filed and approved and built out to specifications that warranted a light at the other location, where would the light be?

Mr. Ross stated this tool will help us to make a better decision but will not tell us what will happen in the future but it will allow to test proposed development projects as they come into the department. It will help to understand and balance the traffic needs within the entire Western Gateway. It will also help to make more informed decisions regarding traffic lights, curb cuts and driveways.

Alderman Gibson asked if Mr. Fogelman would have to bring forward a proposed development before the change in the location of the traffic light could be considered.

Mr. Ross stated as part of the approval process for the TraVure development the decision was delayed 30 days from the Planning Commission from November to December, Mr. Fogelman was given an opportunity to put together a preliminary transportation study and he utilized the development scenario of an office campus setting that constituted a set number of square feet of select number of parking stalls. That preliminary transportation study illustrated that the proposed intersection in line with the Forum and the Atrium on the Memphis side of Poplar, combined with the TraVure development the best place for the light due to queuing issues from Poplar and Kirby going in the east and west direction from Kirby.

Motion by Mr. Owens, seconded by Mr. Klevan, to approve a professional services agreement with Kimley-Horn, Inc. in the amount of \$70,000.00 for engineering services related to the Western Gateway Traffic Impact Analysis.

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

**On-Call Contract for Collection of Yard Waste**

Mr. Lawton stated the City is once again experiencing an increase in the number of complaints from residents resulting from missed services during the collection of solid waste by the current contractor, Inland. In order to ensure that solid waste is collected in a timely manner per the terms of the contract, the City is establishing additional contracts to provide for on-call collection of solid waste and yard waste.

The City is contracting with Michael's Tree & Loader LLC (MTL) for inspection services again on an on-call basis. It is hoped that this \$40,000.00 will get us through April but at its option, the City will be able

to extend the contract at the same terms for two additional thirty day periods and an end date of June 30, 2016.

In response to a question from Alderman Gibson, Mr. Lawton stated that \$40,000.00 was being withheld from Inland's payment.

Alderman Owens expressed his thanks to Charmaine Jones, Joe Nunes and Cameron Ross for their efforts regarding this situation.

Motion by Mr. Barzizza, seconded by Ms. Gibson, to authorize the Mayor to enter into a contract with Michael's Tree & Loader, LLC, for on-call collection of yard waste (clear bags, roll carts, personal containers and loose limbs) in an amount of the contract not to exceed \$40,000.00 and for the term(s) listed herein.

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

#### **Adjournment**

The meeting was adjourned at 6:55 p.m.

#### **BEER BOARD**

The Beer Board was called to order by Mayor Palazzolo, with all aldermen in attendance.

#### **Public Hearing – Taziki's Mediterranean Café**

Mr. Lawton stated that Mr. Isaac Riddle had requested a permit to sell beer for on-premise consumption at Taziki's Mediterranean Café, located at 7850 Poplar #29. Nothing had been found to discredit the applicant. Mr. Riddle was present for any questions or concerns the Board might have.

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

Motion by Mr. Owens, seconded by Mr. Barzizza, to approve the request from Isaac Riddle, for a permit to sell beer for on-premise consumption at Taziki's Mediterranean Café, located at 7850 Poplar #29.

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

#### **Public Hearing – Stoney River Steakhouse and Grill**

The Stoney River Management Company, LLC has requested a permit to sell beer for on-premise consumption at the Stoney River Steakhouse and Grill, located at 7515 Poplar Ave., Suite 101. Nothing had been found to discredit the applicant and the manager, Mr. Sherif, and their attorney, Mr. Schmitt, were present for any questions.

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

Motion by Mr. Janda, seconded by Ms. Gibson, to approve the request from Stoney River Management Company LLC, for a permit to sell beer for on-premise consumption at Stoney River Steakhouse and Grill, located at 7515 Poplar Ave., Suite 101.

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

#### **Adjournment**

The meeting of the Beer Board was adjourned at 7:00 p.m.