

## **BOARD OF MAYOR AND ALDERMEN**

May 22, 2017

The regular meeting of the Board of Mayor and Aldermen was held on Monday, May 22, 2017, at 6 p.m. in the Council Chambers of City Hall.

Mayor Mike Palazzolo was present and presiding.

The following aldermen were present: John Barzizza, Mary Anne Gibson, Dean Massey, Forrest Owens and Rocky Janda. Staff present: Pam Beasley, Michele Betty, Paul Chandler, Reynold Douglas, Butch Eder, Tony Fischer, Tim Gwaltney, Richard Hall, David Harris, Patrick Lawton, Bo Mills, Daniel Page, Lisa Piefer, Phil Rogers, Cameron Ross, John Selberg, Paul Turner and Steve Wilensky.

### **Call To Order**

The Mayor called the meeting to order.

### **Invocation**

Bo Mills gave the invocation.

### **Pledge of Allegiance**

Alderman Barzizza led the Pledge of Allegiance.

### **Approval of Agenda**

During the executive session, the Board unanimously approved the agenda as written.

Motion by Mr. Janda, seconded by Ms. Gibson, to approve the agenda as written.

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

### **Approval of Minutes**

There were no corrections to the minutes.

Motion by Mr. Janda, seconded by Mr. Barzizza, to approve the minutes of the Board of Mayor and Aldermen meeting held May 8, 2017.

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

### **Special Recognition**

#### **Beautification Commission Business Award**

Alderman Gibson presented the May Beautification Commission Award to the Germantown Country Club.

### **Insurance Services Office Class 1**

Chief Selberg asked the appropriate City department representatives to come forward to be recognized. Chief Selberg stated this agenda item is to recognize the Citywide team that helped Germantown achieve a Class 1 Rating from the Insurance Services Office (ISO). The ISO provides information used by insurance companies to establish insurance rates for customers. The ISO evaluation includes an analysis of all fire department operations and key supporting elements, such as those from the Germantown Police Dispatch Center for 911 services, available water supply and hydrant system provided by Public Works, support from the City's Information Technology Department to support dispatch systems, and grant funding from the Shelby County 911 Commission to upgrade our dispatch and fire station alerting systems. ISO analyzes data and assigns a rating number between 1 and 10, with 1 being the best. Currently, there are only three fire departments in

Tennessee and 241 departments nationwide that have a Class 1 rating. For many years, the City has had a Class 3 rating, which is considered quite good. The achievement of the Class 1 rating is a great accomplishment.

**Fleet Services**

Mr. Douglas asked Fleet Division staff to come forward to be recognized. Mr. Douglas stated the 100 Best Fleets was founded by Tom C. Johnson in 2000 to “shine a light” on fleet managers for the services that they provide to their organization and taxpayers on a daily basis. An annual contest recognizes the best-of-the-best fleet services operations in North America. This year is the division’s first application and they made the top 100 ranking by placing 68<sup>th</sup>.

**Proclamation – National Public Works Week**

Mayor Palazzolo proclaimed May 21–27, 2017 as Public Works Week in the city of Germantown.

**Alderman Liaison Reports**

The Aldermen reported on their commission activities.

**Citizens to be Heard**

No citizens came forward.

Mayor Palazzolo recessed the Board of Mayor and Aldermen and reconvened as the Beer Board. Alderman Barzizza recused himself from the dais. He is a member of The Grand Krewe of Luxor.

**BEER BOARD**

**Public Hearing – Temporary Beer Permit On-Premise – The Grand Krewe of Luxor**

The Grand Krewe of Luxor is seeking a temporary beer permit to serve alcohol at their event at The Great Hall & Conference Center on Wednesday, June 7, 2017, between the hours of 5 and 11:30 p.m. The beneficiary of the proceeds is Carnival Memphis Children’s Charities and Shelby Residential and Vocational Services. (SRVS).

No citizens came forward during the public hearing.

Motion by Mr. Owens, seconded by Ms. Gibson, to approve a temporary beer permit allowing the sale of beer on publicly owned property at The Grand Krewe of Luxor event to be held on Wednesday, June 7, between the hours of 5 and 11:30 p.m.

ROLL CALL: Barzizza-recused, Gibson-yes, Massey-no, Owens-yes, Janda-yes. Motion approved.

Alderman Barzizza returned to the dais.

**Public Hearing – Crestline Hotels & Resorts, LLC - Residence Inn Memphis Germantown**

The City has received a request from Crestline Hotels & Resorts, LLC for a permit to sell beer for on-premise consumption at Residence Inn Memphis Germantown, located at 9314 Poplar Avenue. Summit Hotel has sold the Residence Inn to Crestline.

No citizens came forward during the public hearing.

Motion by Mr. Barzizza, seconded by Mr. Owens, to approve the request from Crestline Hotels & Resorts, LLC for a permit to sell beer for on-premise consumption at Residence Inn Memphis Germantown, located at 9314 Poplar Avenue.

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

**Public Hearing – Crestline Hotels & Resorts, LLC – Courtyard Memphis Germantown**

The City has received a request from Crestline Hotels & Resorts, LLC for a permit to sell beer for on-premise consumption at Courtyard Memphis Germantown, located at 7750 Wolf River Boulevard. Summit Hotel has sold the Courtyard to Crestline.

No citizens came forward during the public hearing.

Motion by Mr. Barzizza, seconded by Mr. Owens, to approve the request from Crestline Hotels & Resorts, LLC for a permit to sell beer for on-premise consumption at Courtyard Memphis Germantown, located at 7750 Wolf River Boulevard.

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

**CONSENT**

**Change Order No. 1 – Public Administration Suite Software**

This agenda item is to request approval of Change Order No. 1 with Superion, LLC in the amount of \$21,949.00 for the addition of the bid and procurement card applications and associated annual maintenance. Superion is the software used to manage operations such as HR, Payroll, Finance, Code Enforcement and work orders.

MOTION: To approve Change Order No. 1 with Superion, LLC, previously SunGard Public Sector, Inc., in the amount of \$21,949.00 for the addition of the bid and procurement card applications and associated annual maintenance.

**Sport Provider Agreement Extension**

This agenda item is to approve the extension of the provider agreement for one additional year with the Germantown Football League to be the youth cheer and football provider for the City. The City implements contracts with local youth sport provider organizations to provide certain athletic programs for children on athletic fields located in the City in which the Parks and Recreation Department make available.

MOTION: To approve the extension of the provider agreement for one additional year with the Germantown Football League to be the youth cheer and football provider for the City of Germantown.

**Purchase - Heavy Duty Equipment Trailer**

This agenda item is to request authorization to purchase a new heavy duty equipment trailer in the amount of \$27,760.72. This trailer will be replacing a trailer only capable of hauling a single piece of equipment. The trailer will eliminate the use of multiple vehicles being used to transport equipment to the jobsite.

MOTION: To approve the purchase of a new Felling FT-30-2 LP heavy duty equipment trailer from Williams Equipment in the amount of \$27,760.72, approve Budget Adjustment No. 17-83 and declare unit 924, an equipment trailer, as surplus property.

**Professional Services Agreement – Supplement No. 1 – Kimley Horn**

The purpose of this agenda item is to consider approval of Supplement No. 1 in the amount of \$25,000.00, thereby increasing the existing FY17 On-call Professional Services Agreement (PSA) with Kimley-Horn & Associates, Inc. (KHA) to an amount not to exceed \$65,000.00. Their local knowledge of the regional transportation network has been a tremendous asset to the City through the years. Typical services have included traffic/transportation studies, traffic impact analyses, striping plans, signal timing assistance and assistance in various MPO matters.

MOTION: To approve Supplement No. 1 in the amount of \$25,000.00, increasing the contract total to a not-to-exceed amount of \$65,000.00 for the FY17 On-call Professional Services Agreement with Kimley-Horn & Associates, Inc.

**Reimbursement Overtime – Police**

This agenda item is to recognize overtime reimbursement from the Federal Department of Justice, the Department of Homeland Security and the Tennessee Highway Safety Office to the Germantown Police Department in the amount of \$13,880.66. The Germantown Police Department has an officer assigned to the Federal Bureau of Investigation Joint Safe Streets Task Force, the Drug Enforcement Administration Task Force, the Terrorism Task Force and the Secret Service Task Force.

MOTION: To recognize overtime reimbursement from the Federal Department of Justice, the Department of Homeland Security and the Tennessee Highway Safety Office in the amount of \$13,880.66 and to approve Budget Adjustment No.17-82.

**PEG Disbursement to GMSD**

This agenda item is to authorize the disbursement of Public, Education and Government (PEG) funds in the amount of \$45,204.59 to the Germantown Municipal School District for the use of capital equipment at the Germantown Municipal Television Station. 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.

MOTION: To authorize the transfer of funds from the PEG collected by the City to Germantown Municipal School District in the amount of \$45,204.59.

Motion by Mr. Janda, seconded by Ms. Gibson, to accept the consent agenda as read.

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

**REGULAR**

**Professional Services Agreement - Comprehensive Parks and Recreation Master Plan**

Ms. Beasley stated Germantown's park system has evolved over the years to include twenty-nine (29) parks, greenway trails, natural areas, and a number of special use facilities including a dog park, working farm and a variety of sports amenities. Most of the parks were developed over twenty-five years ago and still retain their original design and infrastructure, some of which are outdated and in need of re-envisioning to address today's recreational needs. The Department, with unanimous support from the Parks and Recreation Commission, seeks design, program, service and operational strategies that are innovative, cutting edge and dynamic, which will continue to position Germantown in advancing exceptional quality of life and making and sustaining great

spaces. The Department budgeted funds for the master plan to serve as a guide for growth and development or redevelopment of facilities and recreation programs through assessing and prioritizing needs.

Motion by Mr. Owens, seconded by Ms. Gibson, to authorize the Mayor to execute an agreement with Lose and Associates for professional services for the development of the Comprehensive Parks and Recreation Master Plan in the amount of \$161,876.50.

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

**Ordinance No. 2017-1 Ordinance to Adopt the FY2018 Budget – First Reading**

Mr. Lawton stated the Board's review and annual adoption of the budget is the single most important action taken by the Board every year.

The FY18 Proposed Budget takes into consideration the Policy Agenda developed by the Board. The Financial Advisory Commission (FAC) has held several meetings with the staff to review each component of the budget including the financial policies, the entire General Fund, the Enterprise Funds, the Special Revenue Funds and the CIP. The Personnel Advisory Commission's recommendation of a 3.0% market adjustment is incorporated in the FY18 proposed budget. The FAC has reviewed and approved the budget.

The budget for all funds for FY18 totals \$170,406,923. The General Fund Operating Budget totals \$51,651,686; the Enterprise Funds total \$18,166,743; Special Revenue Funds total \$86,516,367; and Capital Improvements Programs total \$10,361,411. During the Public Hearing, the Chairman for the FAC will present the Commission's recommendation regarding the proposed budget. The proposed budget includes a property tax adjustment of \$0.23 designed to address educational and other capital needs during the five-year planning period.

Motion by Mr. Janda, seconded by Ms. Gibson, to approve on first reading Ordinance No 2017-1 establishing the FY18 Proposed Budget and set Monday, June 12, 2017 for the second reading and public hearing.

ROLL CALL: Barzizza-no, Gibson-yes, Massey-no, Owens-yes, Janda-yes. Motion approved.

**Ordinance No. 2017-2 Year-End Budget Adjustments – First Reading**

Mr. Lawton stated a number of year-end budget adjustments are required at the end of the fiscal year to avoid budget and fund overruns in the various funds. All of the expenditures being funded by the budget adjustments were approved under the City's purchasing policies and adhere to generally accepted accounting principle guidelines. Typically at year-end, a number of budget adjustments are made to the various City funds, which realign operating expenses/expenditure accounts with actual activity. They recognize various overruns, underruns, project acceleration and deferrals that have already received the Board of Mayor and Aldermen's approval.

Motion by Mr. Janda, seconded by Mr. Barzizza, to approve Ordinance No. 2017-2 for year-end budget adjustments on first reading and set Monday June 12, 2017 for second reading and public hearing.

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

**Ordinance No. 2017-3 Real and Personalty Tax – First Reading**

Mr. Lawton stated the Board of Mayor and Aldermen are asked to adopt the FY18 property tax rate,

concurrent with the adoption of the FY18 Budget, and set Monday, June 12, 2017 as the public hearing date.

The recommended property tax rate on first reading for the FY18 budget is \$1.99 per \$100.00 of assessed valuation. Shelby County has completed the 2017 Countywide Reappraisal of property. As a result, municipalities will be required to calculate a state “certified tax rate” or roll back rate that produces a “tax neutral” effect for the current taxpayers. The certified tax rate, once approved by the state, will be presented to the Board of Mayor and Aldermen for approval during this ordinance approval process. However, the proposed or unapproved certified tax rate is \$1.76.

By law, the certified tax rate is the rate, which applied to the reappraisal tax base (adjusted for new property), will yield the same revenue as was “levied” the previous year. In addition, an appeals allowance will be calculated and added to the tax rate should it be determined that sufficient appeals will affect the assessed value of property. After calculation of a rate, the City will submit the new rate to the Shelby County Assessor as well as to the State Board of Equalization for certification. A public notice must be advertised in the paper and a public hearing must be held prior to adoption of the tax rate.

Justification for a property tax increase results from in depth discussions with the City’s Financial Advisory Commission and the Board of Mayor and Aldermen during deliberations of the FY18 Budget. The tax increase is tied to the need for a new school for the city, operation service levels and needs of the community. This year the proposed tax rate would be \$1.99 per \$100.00 of assessed value for property in the City of Germantown.

Motion by Mr. Janda, seconded by Ms. Gibson, to approve the certified tax rate at \$1.76, the additional \$.23 tax adjustment, and the new effective tax rate of \$1.99 on first reading, and set Monday, June 12, 2017 for public hearing.

ROLL CALL: Barzizza-no, Gibson-yes, Massey-no, Owens-yes, Janda-yes. Motion approved.

**Ordinance No. 2017-4 Germantown Municipal School District Year End Budget Adjustments – First Reading**

At the end of the fiscal year, a number of year-end budget adjustments are required to be made in order to avoid budget and fund overruns in the various funds for the Germantown Municipal School District.

The Germantown Municipal School District (GMSD) yearly budget adjustments have been approved by the Germantown Municipal School Board. However, 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, 2017. Therefore, the City of Germantown Board of Mayor and Aldermen must approve any yearly budget adjustments. Any adjustments made are following the State of Tennessee Guidelines for school districts and adhere to generally accepted accounting principles guidelines.

This is the third year of operations for the GMSD and will require a number of yearly budget adjustments. These adjustments will recognize various overruns, underruns, project accelerations and deferrals that have been approved by the GMSD Board. Accounting transactions may cross separate funds and consequently require approval by ordinance.

Motion by Ms. Gibson, seconded by Mr. Janda, to approve Ordinance No. 2017-4 for Germantown Municipal School District year-end budget adjustments on first reading and set Monday, June 12, 2017 for second

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reading and public hearing.

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

Meeting adjourned.

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Mike Palazzolo, Mayor

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Michele Betty, City Clerk/Recorder