

## **BOARD OF MAYOR AND ALDERMEN**

**July 13, 2020**

The regular meeting of the Board of Mayor and Aldermen was held on Monday, July 13, 2020, at 6 p.m. via live streaming. Meeting electronically was necessary to protect public health, safety and welfare in light of the COVID-19 pandemic.

Mayor Mike Palazzolo was present and presiding.

The following aldermen were present: Scott Sanders, Mary Anne Gibson, Dean Massey, Forrest Owens and Rocky Janda. Staff present: Michele Betty, Tony Fischer, De’Kisha Fondon, Jason Huisman, Patrick Lawton, Mac McCarroll, Lisa Piefer, Cameron Ross, Sherry Rowell and Adrienne Royals.

### **Call to Order**

The Mayor called the meeting to order.

### **Invocation**

The invocation was led by Patrick Lawton.

### **Statement from Mayor Palazzolo**

All local governing bodies in the State of Tennessee have been impacted by the COVID-19 pandemic. Germantown is no exception. In an effort to carry out its governance and operational responsibilities lawfully, and effectively, while also considering the protection of public health, safety and welfare, the Germantown City Administration has taken steps to conduct Board of Mayor and Aldermen and other public meetings electronically. These actions were taken in response to Governor Bill Lee’s Executive Order No. 51, an order extending Executive Order No. 16, previously extended by Executive Order No. 34, which suspended the requirements of the Tennessee Open Meetings Act to the extent necessary to allow governing bodies subject to the act to meet and conduct essential business by electronic means.

The Germantown Board of Mayor and Aldermen has determined that meeting electronically is necessary to protect the health, safety and welfare of its citizens in light of the COVID-19 pandemic. Further, notice of such electronic meetings has been, and will continue to be, published in the same manner as is traditionally used for regular meetings. The public is also, and will continue to be, able to view the agenda and have live access to the actual meetings by electronic means, by logging in to Germantown’s website, and by clicking the appropriate link. Video recordings of the meetings will be made available as soon as practicable after each meeting on the City’s website at [www.germantown-tn.gov](http://www.germantown-tn.gov).

These measures are temporary, and are due to expire no later than August 29, 2020, unless further action is taken by Governor Lee.

### **Set Agenda**

The Board was asked to set the agenda for the meeting.

Motion by Mr. Janda, seconded by Mr. Sanders, to accept the agenda as presented to the public.

Motion by Mr. Janda, seconded by Ms. Gibson, to move to the preliminary agenda item No. 9 Interlocal Agreement – Shelby County Government. There was no opposition.

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

### **Approval of Minutes**

Approval was requested of the minutes of the regular meeting held June 22, 2020.

Motion by Mr. Janda, seconded by Ms. Gibson, to approve the minutes of the Board of Mayor and Aldermen

regular meeting held June 22, 2020.

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

**Citizens to be Heard**

No citizens came forward.

**Resolution 20R06 - A Resolution of The Board of Mayor and Aldermen of the City of Germantown, Tennessee in Support of Direct Fiscal Assistance to Local Governments in Response to the Surging Coronavirus and Its Devastating Effects on Municipal Budgets and Local Economies**

Resolution 20R06 requests the support of our Congressional legislators in addressing the immediate, direct fiscal assistance needs of all local governments throughout the state of Tennessee as they respond to the coronavirus pandemic. Local governments across the country have not only been challenged with unplanned increases in expenditures to respond to the coronavirus pandemic, they are also experiencing significant reductions in overall revenues as a result of the sudden economic downturn. The Coronavirus Aid, Relief and Economic Security Act (CARES), passed by Congress on March 27, 2020, appropriated \$150 billion to state and local governments; however, these CARES Act funds can only be used for COVID-19-related expenses and at present, cannot be used to offset losses in revenue.

The U.S. Senate is currently on recess through July 20. When the U.S. Senate reconvenes towards the end of July, it is expected to consider the next round of supplemental funding to respond to the coronavirus and its severe economic impacts. During this recess, it is imperative that our Congressional leaders are provided with the information they need from local governments in order to understand the adverse fiscal impact of the coronavirus pandemic on local resources.

City staff is projecting a loss of over \$3 million in consumption-based revenue (sales, use and occupancy tax) for FY21 compared to the previous fiscal year. This reduction in revenue has negatively impacted the City's ability to proceed with needed infrastructure improvements and capital replacement projects. This resolution requests the support of our Congressional leaders as they consider legislation pertaining to direct fiscal assistance to local governments during the next session.

Motion by Ms. Gibson, seconded by Mr. Janda, to approve Resolution 20R06, requesting the support of Congressional legislators in addressing the immediate, direct fiscal assistance needs of all local governments throughout the state of Tennessee as they respond to the coronavirus pandemic.

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

**PRELIMINARY AGENDA**

**Appointment – Education Commission**

There was one vacancy on the Education Commission. Mr. William Fruitt applied to serve on the commission.

MOTION: To approve the appointment of Mr. William Fruitt to the Education Commission with a term ending June 30, 2021.

**Appointment – Technology Commission**

There was one vacancy on the Technology Commission. Mr. Richard Davis applied to serve on the commission.

MOTION: To approve the appointment of Mr. Richard Davis to the Technology Commission with a term ending December 31, 2020.

**Change Order No. 1 - Cordova Lift Station Repair and Improvements - Emergency Refurbishment**

Improvements to the lift station were approved by the Board at the January 13, 2020 meeting. Chris Hill Construction was selected as the contractor to provide these improvements. The contractor noticed that the pumps that provide sewage flow through the station were not functioning at optimal conditions due to the wet well being filled with an exorbitant amount of rags and cloths. Upon further investigation, it was also found that construction debris had entered the lift station causing irreparable damage to existing pumps. Change Order No. 1 for this emergency involves equipment and labor for replacing the existing irreparable pumps with new pumps, pump appurtenances and new electrical controls. The City Administrator approved of this emergency change order on July 7, 2020, in order for the replacement pumps and controls to be ordered immediately.

MOTION: To formally approve Change Order No. 1 with Chris Hill Construction in the amount of \$113,502.00 to provide emergency replacement pumps and controls for the Cordova Lift Station.

**Interlocal Agreement – Shelby County Government**

The Coronavirus Aid, Relief and Economic Security Act (CARES), passed by Congress on March 27, 2020, appropriated \$150 billion to state and local governments to be used for COVID-19-related expenses. Memphis and Shelby County received a direct appropriation of these federal dollars based on their population. Because the County population includes the population of each local government (excluding Memphis), Shelby County will share their portion of CARES Act funds with each municipality on a per capita basis. Germantown will receive \$1,272,000.00 from the County based on this formula. Per the guidelines established by the federal government, these funds may only be used to cover costs that: 1) are necessary expenditures incurred due to the Coronavirus public health emergency; 2) were not accounted for in the state or local government budget most recently approved as of March 27, 2020; and 3) were incurred during the period that begins on March 1, 2020, and ends on December 20, 2020. Once received from Shelby County, these funds will be placed in deferred revenue and will be appropriated in the FY21 budget based on the above criteria.

MOTION: To authorize the Mayor to execute the Interlocal Agreement regarding the acceptance and use of CARES Act funds.

Motion by Mr. Owens, seconded by Ms. Gibson, to approve the preliminary agenda as read.

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

**REGULAR**

**Ordinance 2020-3 - Real and Personalty Tax - First Reading**

The recommended property tax rate of \$1.95 per \$100.00 of assessed valuation will generate approximately \$34.1 million in property tax and represents 61% of the FY21 General Fund revenues. After a careful review of the proposed FY21 budget, a tax increase is not recommended in the FY21 budget. This recommendation took into consideration the City's commitment to provide adequate resources to support defined service levels and to manage our financial resources for compliance with City financial policies.

Motion by Mr. Sanders, seconded by Mr. Janda, to adopt Ordinance No. 2020-3, establishing the certified tax rate of \$1.95 on first reading, and set August 10, 2020, for the second reading and public hearing.

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

**Ordinance 2020-6 - Rezoning of a Three-Acre Parcel (“RE-1” Residential Estate to “R” Low-Density Single-Family Residential) - Second Reading and Public Hearing**

In 2017, the 38.17-acre undeveloped property was approved to be developed as an elementary school and school district offices for Germantown Municipal School District (GMSD). The northeastern three-acre portion of the GMSD property has remained undeveloped. In order for these three acres to be developed consistently with the rest of the proposed single-family residential development on the property to the north, the applicant is requesting that these three acres be rezoned to “R” Low-Density Single-Family Residential.

Mayor Palazzolo opened the floor for the public hearing. Seeing no one come forward, Mayor Palazzolo closed the public hearing.

Motion by Mr. Owens, seconded by Ms. Gibson, to approve Ordinance 2020-6 on second reading, the rezoning of a three-acre parcel from “RE” Residential Estate to “R” Low-Density Single-Family Residential.

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

**Shelby County Election Commission Payment**

Following the November 2018 municipal election, former Alderman John Barzizza filed suit against the Shelby County Election Commission claiming that election ballots were improperly counted. At the time of the suit, John Barzizza was no longer a City of Germantown official. The Election Commission hired the Memphis law firm of Harris/Shelton to defend against the lawsuit filed by Mr. Barzizza. Based on the invoice, the Election Commission incurred expenses totaling \$19,351.26 during the period of January to September 2019. On March 16, 2020, the Administrator of Elections for the Shelby County Election Commission sent a letter to the City of Germantown accounts payable division requesting payment for the attorney fees incurred as a result of Mr. Barzizza's lawsuit in the amount of \$19,351.26. It is the position of City Administration that taxpayer dollars should not be used to cover costs resulting from a lawsuit filed by a private citizen. However, the State statute provides that this issue is between the City and Shelby County Election Commission.

Motion by Mr. Janda, seconded by Ms. Gibson, to postpone this agenda item until the Board of Mayor and Aldermen meeting to be held August 24, 2020.

Motion by Mr. Massey, seconded by Mr. Sanders, to postpone this agenda item until the Board of Mayor and Aldermen meeting to be held July 27, 2020.

ROLL CALL: Sanders-no, Gibson-no, Massey-yes, Owens-no, Janda-no. Motion failed.

ROLL CALL: On original Motion by Mr. Janda, seconded by Ms. Gibson, to postpone this agenda item until the Board of Mayor and Aldermen meeting to be held August 24, 2020.

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

Meeting adjourned.

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Mike Palazzolo, Mayor

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Michele Betty, City Clerk/Recorder