

BOARD OF MAYOR AND ALDERMEN
December 12, 2022

The regular meeting of the Board of Mayor and Aldermen was held on Monday, December 12, 2022, at 6 pm in the Council Chambers at City Hall.

Mayor Mike Palazzolo was present and presiding.

The following aldermen were present: Scott Sanders, Mary Anne Gibson, Sherrie Hicks, Brian Ueleke and Jon McCreery. Staff present: Michele Betty, Mike Fisher, Jason Huisman, Mac McCarroll, Lisa Piefer, Cameron Ross, Natalie Ruffin, Andy Sanders and Courtney Taylor.

Call to Order

The Mayor called the meeting to order.

Invocation

The invocation was led by Cameron Ross.

Pledge of Allegiance

Alderman Sanders led the Pledge of Allegiance.

Set Agenda

The Board is asked to set the agenda for the meeting. Any changes are to be made at this time.

Motion by Ms. Gibson, seconded by Mr. Sanders, to approve the December 12, 2022 agenda.

ROLL CALL: Sanders-yes, Gibson-yes, Hicks-yes, Ueleke-yes, McCreery-yes. Motion approved.

Approval of Minutes

Approval is requested of the minutes of the regular meeting held November 28, 2022.

Motion by Mr. Sanders, seconded by Mr. Ueleke, to approve the minutes of the regular meeting held November 28, 2022.

ROLL CALL: Sanders-yes, Gibson-yes, Hicks-yes, Ueleke-yes, McCreery-yes. Motion approved.

Citizens to be Heard

No citizens came forward.

SPECIAL RECOGNITION

Germantown Education Commission Teacher of the Month – December 2022

The December 2022 Teacher of the Month Award winner is Ms. Kate Greer, a first-grade teacher at Forest Hill Elementary School.

Germantown Education Commission Youth Excellence Award – December 2022

The December 2022 Youth Excellence Award winner is Malaika Kumar, a senior at Lausanne Collegiate School.

Mayor Palazzolo recessed the Board of Mayor and Aldermen and reconvened as the Germantown Beer Board.

BEER BOARD – Public Hearing – Beer Board Permit – On-Premise Application – MHI-Germantown HI OpCo, LLC

The City received a request from MHI – Germantown HI OpCo, LLC for a permit to sell beer for on-premise consumption at Hampton Inn and Suites, located at 1680 S. Germantown Road. The business applied for a new permit due to a change in ownership.

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

Motion by Mr. Sanders, seconded by Ms. Gibson, to approve the request of MHI – Germantown HI OpCo, LLC for a permit to sell beer for on-premise consumption at Hampton Inn and Suites, located at 1680 S. Germantown Rd.

ROLL CALL: Sanders-yes, Gibson-yes, Hicks-yes, Ueleke-yes, McCreery-yes. Motion approved.

CONSENT AGENDA

Consulting Services Agreement – Senior Adult Recreation/Education Programs and Service Needs Assessment – Phase I

Senior residents have indicated a desire for improved/expanded senior programs and services. In addition, the Parks and Recreation Department would like to ensure that existing senior programs and services are maintained, managed and enhanced in alignment with best practices, industry trends, emerging needs and community goals. With the need for improved senior programs and services and enhancement of existing services, the City planned and budgeted to procure a consultant to perform a senior needs assessment. The senior needs assessment will provide a comprehensive understanding of community-wide needs and identify the extent to which the current and anticipated future needs of seniors are being met.

MOTION: To authorize an agreement with PROS Consulting, Inc. for professional consulting services to conduct Phase I of a Senior Adult Recreation/Education Programs and Services Needs Assessment in the amount of \$29,459.00.

Renewal – Medical & RX Stop Loss Insurance

Medical Stop Loss Insurance protects the City's self-funded plan from extreme medical expenses. The stop loss carrier works as a safety net to protect the City's self-funded medical plan. PERU was the Managing General Underwriter (MGU) for American Fidelity for 2022 and will be the MGU for Gerber Life in 2023. The City has a \$115,000.00 individual stop loss deductible, meaning that if an individual medical claim exceeds \$115,000.00, the insurance will reimburse the City 100% of the paid eligible claims that exceed that specific amount.

Gerber Life's overall coverage and deductible of \$115,000 remains the same; however, one laser on one member will be increased from \$115,000 to \$300,000 due to a large loss. The 2023 policy with Gerber Life would have an estimated annual premium of \$602,459.64 with an estimated aggregate stop loss premium of \$22,629.60 for a total of \$625,089.24. This policy would continue to be administered by Lucent Health.

MOTION: To authorize the Mayor to approve the one-year renewal of a medical stop loss policy with PERU using Gerber Life in the estimated annual amount of \$625,089.24 beginning January 1, 2023 through December 31, 2023.

Revised Final Plan – Rowan Oak Planned Development

This request is for a revised final plan, which includes the addition of gates at Rowan and McClellan Lane, a call box at Rowan Lane, turnarounds, and a reconfiguration of the private street entering into the development. The entrance off of Poplar Avenue at McClellan Lane will be for residents only and signed as such. Since Poplar Avenue is a state highway, the Tennessee Department of Transportation has reviewed the plans and is in agreement with this modification.

The proposed plan does not comply with the City's currently adopted Private Streets Standards Policy due to the location of the turnaround being in close proximity to the street entrance off of McClellan Lane at Haseley Lane and the fact that there is no call box at this location. The Planning Commission granted a waiver for this specific requirement, as this entrance will be utilized for residents only.

The applicant held neighborhood meetings to present the proposed plan and received the necessary number of votes to move forward with the request, per the by-laws of the Rowan Oak Homeowners Association.

MOTION: To approve the revised final plan for the Rowan Oak Planned Development (PD).

Motion by Alderman McCreery, without objection, to move to the Consent Agenda the Revised Final Plan – Rowan Oak Planned Development from the Regular Agenda.

Motion by Mr. McCreery, seconded by Ms. Hicks, to approve the consent agenda as amended.

ROLL CALL: Sanders-yes, Gibson-yes, Hicks-yes, Ueleke-yes, McCreery-yes. Motion approved.

REGULAR

Ordinance 2022-8 – Amendment to Chapter 2, Article V, Division 22, Section 2-295.1(J) – Municipal School Board Compensation – Third and Final Reading

City staff has conferred with the City's legal team and counsel from the Municipal Technical Advisory Service to confirm the Germantown Municipal School Board (GMSB) has the authority to establish their own compensation policies. Therefore, staff recommends amending subsection (j) to allow for the GMSB to establish their own levels of compensation. This amendment modifies the language within the City's municipal code addressing the compensation of the

Motion by Mr. Sanders, seconded by Ms. Hicks, to approve Ordinance 2022-8 on third and final reading.

ROLL CALL: Sanders-yes, Gibson-yes, Hicks-yes, Ueleke-yes, McCreery-yes. Motion approved.

Operating and Transfer Agreement – Germantown Elementary School, Germantown Middle School and Germantown High School

This agreement between the Shelby County Board of Education (SCBOE) on behalf of Memphis-Shelby County Schools (MSCS), the City of Germantown (City), the Germantown Municipal School District (GMSD) and Shelby County (County) sets forth the terms and conditions governing the continued operation of Germantown Elementary School (GES), Germantown Middle School (GMS), and Germantown High School (GHS) by MSCS for a specified term and providing for the future disposition of ownership of the three schools (3Gs).

In May of 2022, the Tennessee General Assembly passed Tenn. Code Ann. § 49-2-140, which prohibits a county Local Education Agency (LEA) from operating a school located within the geographic boundaries of a municipal LEA beginning on July 1, 2023, except as otherwise authorized by such statute. Pursuant to the terms of the statute, title to the 3G Schools properties would vest in GMSD on July 1, 2023, if no operating agreement is in place by January 1, 2023, and MSCS is still operating a school on the properties as of July 1, 2023.

In an effort to establish a preemptive operating and transfer agreement for the 3G Schools before the end of the calendar year 2022 deadline, City officials have worked in good faith with representatives from all impacted parties to agree upon the relevant terms and conditions. The following is a summary of the operating and

transfer agreement's key material terms and conditions regarding the continued operations and future disposition of each 3G school.

To assist with the funding of a new high school for impacted MSCS students, MSCS will have a period of up to nine (9) years to sell GHS to a third-party purchaser and use 100% of sale proceeds to put towards the cost of building a new high school. MSCS will continue to own and operate GHS during the nine-year term. If the GHS property is not sold within the nine-year term, the property and all appurtenances, fixtures and buildings will be deeded to GMSD. GMSD will subsequently deed the GHS property to the City, unless GMSD determines that it requires the use of GHS to serve the students of GMSD. Any future sale of the GHS property would be subject to the provisions of Tenn. Code Ann. § 49-2-140(f).

The City will pay a total of \$5,000,000.00 to acquire the GES and GMS properties from MSCS. MSCS will continue to own and operate GES and GMS for a period of up to nine (9) years, and title to the properties will transfer to GMSD at the conclusion of the term. GMSD will subsequently deed the GES and/or GMS properties to the City, unless GMSD determines that it requires the use of GES and/or GMS to serve the students of GMSD. The nine-year term length will provide the opportunity for all current K-8 students to complete their K-8 education at GES and/or GMS at the discretion of MSCS. The total acquisition amount for GES and GMS will initially be paid by the County to MSCS, and then repaid to the County by the City in six (6) annual installments. Per Tenn. Code Ann. § 49-2-140, the GES and GMS properties are to be used for K-12 educational purposes while under the ownership of GMSD or the City. The properties may also be sold if it is determined to be in the "community's best interest," and MSCS waives any rights to proceeds from the sale of GES and/or GMS.

Motion by Ms. Gibson, seconded by Ms. Hicks, to approve Resolution 22R14, authorizing the Mayor to execute the 3G Schools Operating and Transfer Agreement between the Shelby County Board of Education on behalf of Memphis-Shelby County Schools, the City of Germantown, the Germantown Municipal School District, and Shelby County setting forth the terms and conditions governing the continued operation of Germantown Elementary School, Germantown Middle School, and Germantown High School by Memphis-Shelby County Schools for time certain and providing for the future disposition of ownership of the 3G Schools.

ROLL CALL: Sanders-yes, Gibson-yes, Hicks-yes, Ueleke-yes, McCreery-yes. Motion approved.

Meeting adjourned.

Mike Palazzolo, Mayor

Michele Betty, City Clerk/Recorder